

The National Underwriter

LIFE INSURANCE EDITION

THURSDAY, JUNE 5, 1924



*New Home Office Building
720 N. Michigan Ave.
Chicago*

Simple Truths

The will to do the right thing; the determination to carry it out. That is what companies are seeking in their agents.

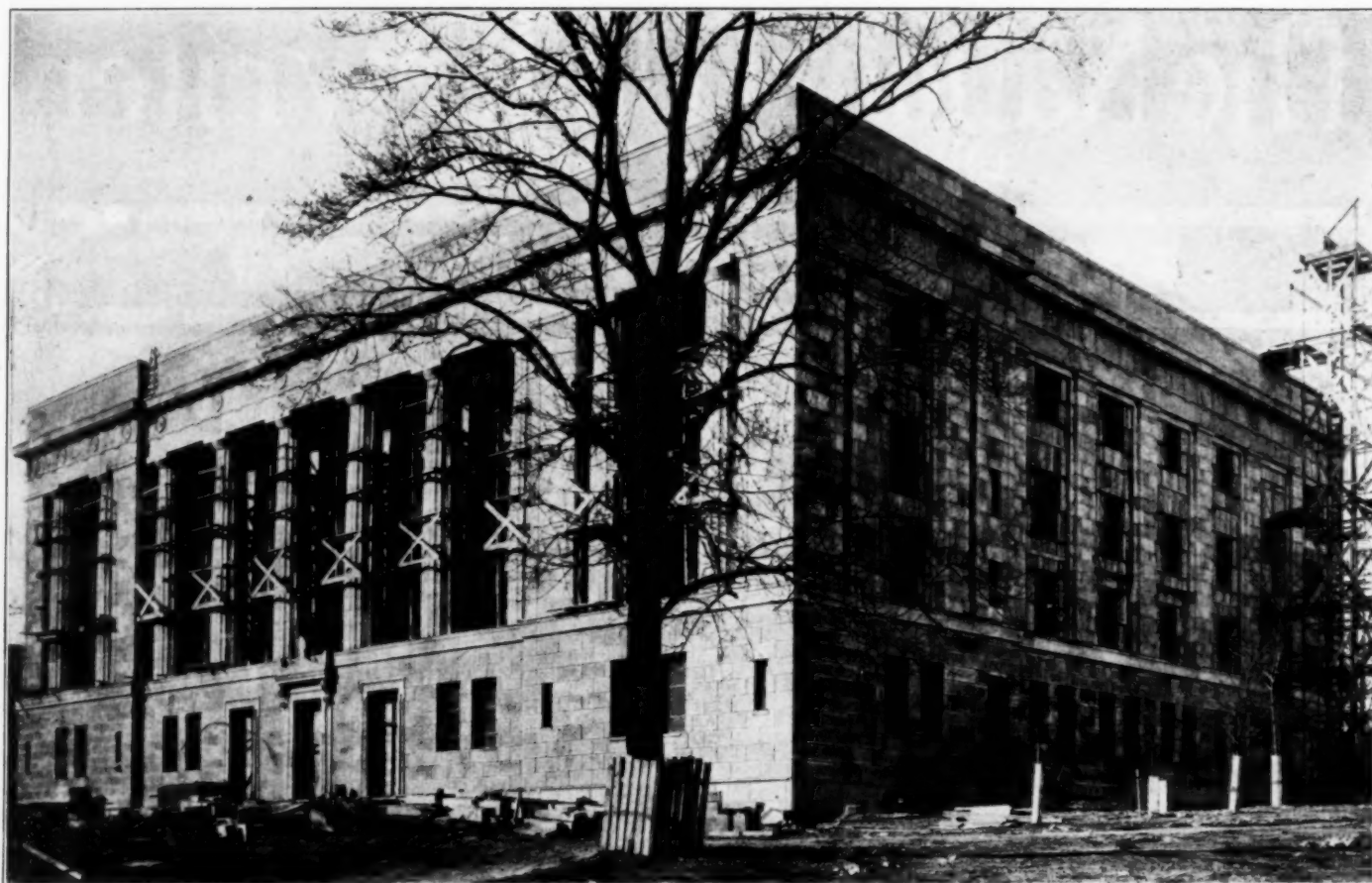
And the agents look to their company to spur them on in their efforts, to guide them, to help them over the rough places, and to maintain faith in them at all times.

Central Life agents justify their company's faith in them. That they carry out their work in a way that leaves no cause for reproach is evidenced by the strong growth of the Central Life. They are community builders of the highest type, and we are proud of them indeed.

We have excellent agency openings in Illinois, Minnesota, Kansas, Iowa, South Dakota, Texas, Missouri, Nebraska and Michigan.

The Central Life Insurance Company of Illinois

720 North Michigan Avenue
CHICAGO, ILLINOIS



FUTURE EXPANSION

THE New Home Office Building of the Kansas City Life Insurance Company is planned to take care of the company's expansion for ten years, based upon the same ratio of growth as during the past. This increased space will provide an opportunity for improvement of the service in all departments.

Agency Department Service will be stressed, through a more intensive cultivation of the field already occupied, and by advancement into new territory

as the expansion of the agency organization demands.

Our Educational facilities are developing a stronger and more professional type of salesman, which will be productive of greater results and lead to a more rapid expansion into new fields.

Our modern policies, issued on all forms of Life, Endowment, Income and Term Plans, and applicable to every need, appeal to all classes of risks.

KANSAS CITY LIFE INSURANCE CO.

KANSAS CITY, MO.

J. B. REYNOLDS, President

The National Underwriter

LIFE INSURANCE EDITION

Twenty-Eighth Year, No. 23

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, June 5, 1924

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RETALIATORY MENACE IS QUITE APPARENT

Injustice Is Frequently Done Insurance Companies by Invoking Such Drastic Authority

ISSUE SEEN IN NEW YORK

Outside States Resent Seeming Dictation of Empire Commonwealth as to Licenses Requirements

NEW YORK, June 24.—The determination of the Indiana department to invoke the provisions of the retaliatory law against a New York fire company because of the attitude of the New York department in refusing entry into this state of outside corporations whose charters permit their writing lines of business prohibited under the laws of the Empire State has aroused managers generally to the menace of retaliatory action between the several states.

The feeling is general that the whole question eventually must be taken up by the National Board of Fire Underwriters, acting possibly in conjunction with life and casualty company organizations, and a decision as to its constitutionality sought from the U. S. Supreme Court.

Danger is Often Apparent

With 48 sovereign states, each with its particular laws and jealous of any attempted infringement thereof, the difficulties that beset an insurance company doing a country wide business are apparent, and these are becoming constantly more onerous through departmental rulings. Only recently a number of life and fire companies of Massachusetts were threatened with exclusion from Missouri because of the refusal of the insurance department of the former state to admit a Kansas City fire reciprocal. And while the prohibition was not enforced the threatened companies were put to a great deal of trouble and expense in order to maintain their position.

The insurance interests of New York are more important than those of any other state, and presumably the refusal of its lawmakers to grant charter rights to companies as broad as those obtainable in many other commonwealths was partly through fear of the policyholders being placed in jeopardy, and partly to protect home companies from such competition.

Outside states, while recognizing the clear right of the New York department to legislate within its own jurisdiction, deny any such authority so far as outside territory is concerned and sharply resent the effort. Retaliation is a two edged sword that cuts both ways, inflicting injury not infrequently upon wholly innocent parties.

Now that the measure has been invoked company executives realize its potential menace, and are anxious that some other less destructive method of solving difficulties between the states be arrived at.

NEW FEDERAL ESTATE TAX RATES OPEN BIG FIELD FOR LIFE INSURANCE

THE provisions in the new revenue act which cover the federal estate tax open a great field for additional new business in that the increased tax rate will acquire larger life insurance policies to protect estates from depreciation by taxes. The tax rate is very nearly doubled in many cases in the new bill. Not only will new business be created from those who will fare poorly under the increased levy, but there will be additional limits necessary for the policyholders now on the books. The increase begins with estates of over \$100,000 and the scale is graded upward until for amounts over \$10,000,000 the new rate is 40 percent, compared with 25 percent in the past.

New Rates Greatly Increased

A comparison of old and new rates for certain amounts, not taking into consideration possible deductions, other than the flat \$50,000 exemption, is shown as follows:

Total Estate	Old Federal Tax	New Federal Tax	Increase
\$ 50,000
100,000	500	500
200,000	2,500	3,000	500
300,000	5,500	7,000	1,500
500,000	13,500	19,000	5,500
800,000	31,500	46,000	14,500
1,050,000	51,500	76,000	24,500
1,550,000	101,500	151,000	49,500
2,050,000	161,500	241,000	79,500
3,050,000	301,500	451,000	149,500
4,050,000	461,500	691,000	229,500
5,050,000	641,500	961,000	319,500
8,050,000	1,241,500	1,861,000	619,500
10,050,000	1,681,500	2,561,000	879,500

That the ravages of taxation constitute an increasingly important item for the large property owner is clearly brought out in this increase in the federal estate. In addition to the estate tax levied by the government, and also by the states of Utah, Rhode Island and Pennsylvania, there are inheritance taxes in the remaining states. The combined federal and state taxes make a

BECOMES AGENCY MANAGER

J. A. Marshall Has Connected With the American Reserve of Orlando, Fla., Which Will Soon Start

The American Reserve of Orlando, Fla., has appointed J. A. Marshall agency manager and he will shortly take charge of the agency operations of that company. He is at present living at the Allerton Club residence on Michigan boulevard, Chicago. Mr. Marshall was formerly state agent of the Home Life & Accident of Little Rock, Ark., for Georgia and Alabama and had an important agency for that company but sold out his business some time ago.

New Florida Company

The American Reserve is a new Florida company with \$350,000 capital and \$350,000 surplus, chartered a few months ago. License to operate in Florida has been applied for and is shortly expected to be granted. For the present the company will confine its operations to Florida. Negotiations

great inroad in the estates, often depreciating the total by 40 percent or more.

Combined Tax Is Burden

The importance of this item is shown in the following table which gives the new federal estate tax and 1921 Illinois inheritance tax on certain amounts, as well as the total of the two taxes:

Estate	Federal Tax	Illinois Tax	Total Tax
\$ 50,000	600	600
100,000	500	2,200	2,700
200,000	3,000	6,800	9,800
300,000	7,000	14,000	21,000
500,000	19,000	34,000	53,000
800,000	46,000	75,200	121,200
1,050,000	76,000	110,200	186,200
1,550,000	151,000	180,200	331,200
2,050,000	241,000	250,200	491,200
3,050,000	451,000	390,200	841,200
4,050,000	691,000	530,200	1,221,200
5,050,000	961,000	670,200	1,631,200
8,050,000	1,861,000	1,090,200	2,951,200
10,050,000	2,561,000	1,370,200	3,931,200

Over \$10,050,000 total estate the federal tax is 40 percent. There is an exception of \$50,000 on all estates.

Over \$10,020,000 total estate the Illinois tax is 14 percent. The Illinois tax stated in this schedule applies only where one of the first class, a wife, a husband, a child or ancestor alone takes the estate, and to the amount taken by each. That is, the tax is against shares and the exemption applies to each share. To obtain the exact Illinois tax the federal estate tax should be deducted from the estate to be taxed; as to the Illinois tax the table shows the approximate tax.

In addition to increasing the tax rates on estates, the government has levied a new gift tax, which is equivalent to the estate tax, but imposed upon the transfer during the life-time of the property owner. This provision will prevent the transfer of estates prior to the death of the property owner for the purpose of evading the federal estate tax, so that the only protection for the property owner in the future will be found in the carrying of sufficient life insurance to immediately pay the tax, without a forced sale of property or securities and without reducing the total amount of the estate.

with a couple of other companies in the south are pending which may result in a consolidation of their business with the American Reserve.

Equitable of New York's May

The Equitable of New York has seen no signs of any let down in business. During May the company wrote 25 percent more business than it did May a year ago and \$10,000,000 more than it ever did in any previous May. This production was recorded by a force of 600 fewer agents than the company had a year ago. The company is tightening up on its elimination of the man who writes fewer than 10 cases. The average production per man increased 40% last year over the year before. The May business was over \$61,000,000.

Examining Life of Virginia

A periodical examination of the Life Insurance Company of Virginia was begun this week. The examination is being made by Virginia, Louisiana and Indiana.

TAXES ON INSURANCE COMPANIES UNCHANGED

Provisions of New U. S. Revenue Law in That Respect Are Same as in Act of 1921

NO DEMAND FOR CHANGE

Difficulty of Interpretation Caused Congress to Refrain from Making Amendments

WASHINGTON, D. C., June 3.—The provisions of the new revenue law dealing directly with insurance companies are the same as in the revenue law of 1921. These provisions were not changed by the House ways and means committee because they have been found to be practical in their working methods. This is practically the only section of the bill that was not more or less rewritten.

The insurance provisions were retained without change by the House at the suggestion of Representative Allen T. Treadway of Massachusetts and John Q. Tilson of Connecticut, members of the ways and means committee.

Only Experts Know What It Means

"I admit to rather a density of understanding, particularly of legal phrases, and therefore I inquired as to just what the provisions of the insurance section did," Representative Treadway informed the House, "but I was unable to find out. No one except the experts of the treasury department actually know what these provisions in this section accomplish. It is another illustration of the impossibility of the accomplishment of simplification of tax expressions; the whole law is full of very difficult language to comprehend. That not only applies to the law itself but to the efforts we have made to simplify the forms of the returns. I referred to that matter once before. The returns, unfortunately, after this bill becomes a law will be almost as complicated as they are now. We simply have to follow the phraseology of the experts, follow the original writing of the paragraph, supplemented by the rulings of the department."

No Demand for Change

"It is true there are many things in this bill, and necessarily must be in any tax bill, complicated and difficult for the average person to understand," added Representative Tilson. "After working for days and weeks in an effort to simplify some of these matters the members of the ways and means committee are in unanimous agreement that it is a difficult proposition. The insurance section is an exception in this respect. It seems to have given entire satisfaction both to the treasury department in the administration of it and to the insurance companies that must pay under it. There was no request or demand from any source whatever for any change. In the book of regulations, which is quite a volume, the regulations concerning in-

insurance companies are very few, indicating that the law itself is being administered satisfactorily and without serious difficulty. It has been my hope that this section, which is so satisfactory to all, will not be seriously amended in any of its provisions."

It is entirely due to these two members of Congress that neither the House nor Senate "monkeyed" with the insurance provisions and, therefore, the companies will not be put to the expense and annoyance of testing out rulings under Congressional language the real intent of which is open to doubt and the legal effect something no one can fathom.

No change has been made in the rate of tax upon corporations and all will continue to pay under the new law the rate of 12½ percent. Corporations other than insurance companies have an added corporation tax in the form of a levy of \$1 per \$1,000 of capital stock. The move to subject all corporations to a normal tax of 9 percent and in addition thereto to a graduated scale of taxes upon undistributed profits in excess of 10 percent of net earnings was defeated in conference.

Status of Local Mutuals

Benevolent life insurance associations of a purely local character, farmers' or other mutual hail, cyclone, casualty, or fire insurance companies, and like organizations are exempted from the application of the corporation income tax if 85 percent or more of their income consists of amounts collected from members for the sole purpose of meeting losses and expenses. This paragraph of the bill was subject to a great deal of controversy both in the Senate and House and at one time it was required in the case of companies other than benevolent life companies, that "substantially all" of their income consist of amounts collected from members for the purpose of meeting losses and expenses. Friends of the mutuals wanted the amount reduced to as low as 50 percent and opposed the phrase "substantially all" because it was too vague and indefinite. It was pointed out that they receive some money from interest on bank accounts and investments in the case of the larger organizations and that under such conditions acceptance of such income subjected all income to the corporation tax unless specifically exempted. In opposition to the low percentage proposal, it was declared that these companies compete with the nationally operating companies and should not be given too much of an advantage over them and proposed 90 percent, the compromise rate of 85 percent being finally adopted by Congress.

Special Deductions Allowed

In the computation of net income for the purpose of taxation, there will be allowed as deductions in the case of mutual insurance companies, other than life insurance companies, in addition to other specified deductions (A) the net addition required by law to be made within the taxable year to reserve funds (including in the case of assessment insurance companies the actual deposit of sums with state or territorial officers pursuant to law as additions to guarantee or reserve funds), and (B) the sums other than dividends paid within the taxable year on policies and annuity contracts. Further, in the case of mutual marine companies, deductions are to be allowed covering amounts repaid to policyholders on account of premiums previously paid by them and interest paid upon such amounts between the ascertainment and the payment thereof.

In addition to the usual deductions there is provided in the case of mutuals (including interinsurers and reciprocal underwriters, but not including mutual life or mutual marine companies) requiring their members to make premium deposits to provide for losses and expenses, there will be allowed deduction for the amount of premium deposits returned to policyholders and the amount of premium deposits retained for the payment of losses, expenses and reinsurance reserves.

SOME IMPORTANT CHANGES IN REVENUE BILL AS AFFECTING LIFE INSURANCE

THREE of the most important features in the new revenue bill, enacted by Congress, which apply to life insurance, are in brief as follows:

Life Insurance Trusts

Section 219. (g) Where the grantor of a trust has, at any time during the taxable year, either alone or in conjunction with any person not a beneficiary of the trust, the power to revest in himself title to any part of the corpus of the trust, then the income of such part of the trust for such taxable year shall be included in computing the net income of the grantor.

(h) Where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person not a beneficiary of the trust, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of a trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purposes and in the manner specified in paragraph (10) of subdivision (a) of section 214), such part of the income of the trust shall be included in computing the net income of the grantor.

Estate Tax Rates

Sec. 301. (a) In lieu of the tax imposed by Title IV of the Revenue Act of 1921, a tax equal to the sum of the following percentages of the value of the net estate (determined as provided in section 303) is hereby imposed upon the transfer of the net estate of every decedent dying after the enactment of this act, whether a resident or nonresident of the United States:

- 1 per centum of the amount of the net estate not in excess of \$50,000;
- 2 per centum of the amount by which the net estate exceeds \$50,000 and does not exceed \$100,000;
- 3 per centum of the amount by which the net estate exceeds \$100,000 and does not exceed \$150,000;
- 4 per centum of the amount by which the net estate exceeds \$150,000 and does not exceed \$250,000;
- 6 per centum of the amount by which the net estate exceeds \$250,000 and does not exceed \$450,000;
- 9 per centum of the amount by which the net estate exceeds \$450,000 and does not exceed \$750,000;
- 12 per centum of the amount by which the net estate exceeds \$750,000 and does not exceed \$1,000,000;
- 15 per centum of the amount by which the net estate exceeds \$1,000,000 and does not exceed \$1,500,000;
- 18 per centum of the amount by which the net estate exceeds \$1,500,000 and does not exceed \$2,000,000;
- 21 per centum of the amount by which the net estate exceeds \$2,000,000 and does not exceed \$3,000,000;
- 24 per centum of the amount by which the net estate exceeds \$3,000,000 and does not exceed \$4,000,000;
- 27 per centum of the amount by which the net estate exceeds \$4,000,000 and does not exceed \$5,000,000;
- 30 per centum of the amount by which the net estate exceeds \$5,000,000 and does not exceed \$8,000,000;
- 35 per centum of the amount by which the net estate exceeds \$8,000,000 and does not exceed \$10,000,000;
- 40 per centum of the amount by which the net estate exceeds \$10,000,000.

(b) The tax imposed by this section shall be credited with the amount of any estate, inheritance, legacy, or succession taxes actually paid to any state or territory or the District of Columbia, in respect of any property included in the gross estate. The credit allowed by this subdivision shall not exceed 25 per centum of the tax imposed by this section.

Sec. 302. The value of the gross es-

tate of the decedent shall be determined by including the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated.—

* * *

(g) To the extent of the amount receivable by the executor as insurance under policies taken out by the decedent upon his own life; and to the extent of the excess over \$40,000 of the amount receivable by all other beneficiaries as insurance under policies taken out by the decedent upon his own life.

New Gift Tax

Sec. 319. For the calendar year 1924 and each calendar year thereafter, a tax equal to the sum of the following is hereby imposed upon the transfer by a resident by gift during such calendar year of any property wherever situated, whether made directly or indirectly, and upon the transfer by a nonresident by gift during such calendar year of any property situated within the United States, whether made directly or indirectly:

(Same rates as estate tax)

* * *

Sec. 320. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift. Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift and shall be included in computing the amount of gifts made during the calendar year.

Sec. 321. In computing the amount of the gifts subject to the tax imposed by section 319, there shall be allowed as deductions:

- (A) In the case of a resident—
 - (1) An exemption of \$50,000;
 - (2) The amount of all gifts or contributions made within the calendar year.
- (3) Gifts the aggregate amount of which to any one person does not exceed \$500;
- (4) An amount equal to the value of any property transferred by gift within the calendar year, which can be identified (a) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (b) as having been acquired in exchange for property so received.

Life Company Tax

Sec. 242. When used in this title the term "life insurance company" means an insurance company engaged in the business of issuing life insurance and annuity contracts (including contracts of combined life, health, and accident insurance), the reserve funds of which held for the fulfillment of such contracts comprise more than 50 per centum of its total reserve funds.

Sec. 243. In lieu of the taxes imposed by sections 230 and 700, there shall be levied, collected, and paid for each taxable year upon the net income of every life insurance company a tax as follows:

- (1) In the case of a domestic life insurance company, the same percentage of its net income as is imposed upon other corporations by section 230;
- (2) In the case of a foreign life insurance company, the same percentage of its net income from sources within the United States as is imposed upon the net income of other corporations by section 230.

(Gross and net income then defined as in previous bill)

Medical Directors Named

Dr. G. Holbrook Barber has been appointed medical director of the Manhattan Life and Dr. F. Taylor Emery was appointed consulting medical director.

COMPANY WILL START

ROOSEVELT LIFE READY SOON

Lewis Hart is Main Man Back of the New Institution Organizing at St. Paul

Announcement is made that the newly organized Roosevelt Life of St. Paul, Minn., with offices now in the Globe Building, will be ready for business about July 1. Lewis Hart, formerly state manager for Minnesota of the Security Life of Chicago is agency manager. Dr. B. F. Simon is "acting president" and Medical Director and S. M. Waage is secretary. The company has an "authorized capital and surplus" of \$1,000,000 but the amount paid in is not stated. Stock with par value of \$100 has been sold at \$200 a share.

The Roosevelt Life announces it will write all forms of participating and non-participating insurance on both men and women at same price, both standard and sub-standard risks, insurable ages 10 to 60 and announces "everyone is insurable at some price." The directorate is mostly made up of men not located in St. Paul.

Directors of the Company

The directors are B. F. Simon, acting president and medical director; L. J. Dorner, vice president and general counsel; S. M. Waage, secretary; Fred H. Murray, treasurer of company and vice president First National Bank of White Bear, Minn.; L. A. Weidenheimer, president American House Furnishing Co.; Herman Held, contractor, Mankato, Minn.; Wm. M. Hardt, pianos, Winona; Hon. Wm. C. Zamboni, state senator, Minnesota; Amos Marckel, lumber, Perham, Minn., also director Hall Hardware Co., Minneapolis, Minnesota, Implement Co. and Mutual Fire Insurance Co. of Owatonna, Minn.

What an Estate Is Forced to Pay Out

(From the New York World)

THE figures given below concern an estate of \$100,000 in scattered values, devised to a wife and two minor children. An average case is assumed but no allowance is made for a will contest. These calculations were made by Edwin P. Kilroe, assistant district attorney, with the aid of attaches of the county clerk's office and the surrogate court.

Premium of executor's bond, one year	450.00
First filing fees	3.50
Official inventory (estimated)	500.00
Advertising for claims	150.00
Funeral and incidental	1,000.00
Cemetery lot	500.00
Monument	1,500.00
Fee of transfer tax official	70.00
Fee of appraiser for transfer tax	500.00
Transfer of inheritance tax	930.00
Executor's fee	1,175.00
Fee of executor's attorney (average)	10,000.00
Allowance for two special guardians	500.00
Special guardian for final accounting	500.00
Attorney's allowance for preparing accounts	200.00
General guardians' bond, per year	310.00
Cost of trusteeship and general guardianship of children per year (estimated)	625.00
Minor fees for filing, possibly	10.00
Total	\$18,923.50

But here all estimates are of the lowest, no allowance is made for extravagance, no special outlays are considered and neither unusual expenditures, leaks, extra fees nor those mysterious items which usually are listed as incidentals are included. The probabilities are that the total in such case will average between \$20,000 and \$25,000.

A new office has been opened at Philadelphia by the Sun Life of Canada at 801-802 Finance Building.

WILL NOW ELIMINATE LIFE INDEMNITY PLAN

**European General Reinsurance
Will Put Ban on This Dis-
ability Provision**

EXPERIENCE HAS BEEN BAD

**Many Direct Writing Companies Have
Found This Form of Insurance
an Unprofitable Line**

NEW YORK, June 4.—Many health and accident underwriters are of the opinion that the death knell of life indemnity on health insurance was effectively sounded recently when the European General Reinsurance, the largest reinsurer of disability insurance, put the ban on life indemnity reinsurance. The effective date is July 1. Over 20 companies, many of them the largest health and accident companies in the country, avail themselves of the reinsurance facilities offered by the European General. The Employers Liability has announced that it will discontinue writing life indemnity not only on new business but on old business July 1 and gives as its reason the action of the European General.

Have Had Poor Experience

It can be expected that most of the other 20 companies will do the same thing. There is of course no certainty that this will be the case but the fact is that any company which has a large volume of life indemnity on its books without special reserves to cover this feature, (including practically every company writing life indemnity) has had a bad experience with this part of the policy. There is no doubt that they have been looking around for a way to shut down without hurting their business. Very recently the Travelers and the Fidelity & Casualty, writing a very large percentage of the health business of the country, concluded to put a stop to the life indemnity on the health part of the contract. Both of these companies reinsure with the European General.

This paves the way for the action of other companies and undoubtedly the step taken by the European General will precipitate a general cessation on health life indemnity.

No Money Made on Policy

The European General writes over \$2,000,000 in accident and health reinsurance. During the last 10 years this company has had nearly \$12,000,000 in accident and health premiums on which to base its experience figures. It has experienced a steadily mounting loss ratio and has had a particularly bad experience on life indemnity. It was felt that the only way to cure the situation was to eliminate this feature.

All the companies reinsuring in the European General may not of course discontinue writing life indemnity. They may find reinsurance facilities elsewhere or limit the amount of this class of business that will be accepted on any one risk.

Inasmuch as the European General is purely a reinsurance company and has no dealing with agents or public the companies can readily "pass the buck" and use this as a reason for discontinuing the life indemnity clause. It undoubtedly is a very good reason in addition to the many other important reasons that can be given.

Research Bureau to Move

The Life Insurance Sales Research Bureau, now located in New York City, will move its offices to 125 Trumbull street, Hartford, Conn., June 7.

STARTS POLITICAL ROW

TANGLE ON RECIPROCAL BILL

**Reported Unfavorably in Massachusetts
and Pressure Exerted to Force
Consideration**

BOSTON, MASS., June 4.—One of the biggest political rows in recent years has been aroused over the final disposition of the reciprocal bill in the Massachusetts legislature. Following a seven-hour hearing Monday before the house ways and means committee, the committee held long executive session at night and voted by a close vote against a favorable report. Tuesday morning Chairman Shattuck of the committee was summoned to the governor's office and apparently strenuous efforts were made to have him change the committee action. Boston papers report the chairman was given to understand he was under suspicion of being against the bill because he was director of a bank which held large deposits of an English controlled casualty company. As Chairman Shattuck belongs to one of the oldest, wealthiest and most prominent families in New England, it was not surprising he left the conference in high indignation. Later reports were that he threatened to go on the floor of the House and "expose" some of the political deals which had been going on along general lines.

In the meantime it was told about how the governor was vitally interested, as the understanding is that he gets a legal job at a high salary with a leading Boston life company after leaving office, which company has been foremost in advocating the reciprocal bill. Rival parties entered into the matter and a lively row was promised for today, probably the final day of the legislature, which has been held along to dispose of the reciprocal bill.

Following the conference of Chairman Shattuck and the governor Tuesday, the committee met a second time and voted unanimously, without any dissenting report being prepared, to recommend to the house that the bill be referred to a special commission for study and report at the next session. This was the report rendered Tuesday. Democrats immediately moved to substitute the bill for the report. The house, however, voted at today's session to adopt the report as presented by the ways and means committee.

Life Companies Testify

During the hearing on the bill the life companies came up in order and supported the bill, renewing the details as to difficulties with Commissioner Hyde of Missouri who had refused to renew the life companies' licenses and only did renew them after the reciprocal bill was well on its way in the Massachusetts legislature.

Edward H. McClintock of the Massachusetts Mutual declared he feared retaliatory action from not only Missouri but from Illinois and Indiana.

George W. Smith of the New England Mutual Life also supported the bill. He was asked why his company was so interested now that the Missouri trouble was ended and particularly as the bill had reference only to fire insurance. He was asked if he would support the bill if it also allowed reciprocals to write life insurance.

John Barker, counsel of the Berkshire Life, also appeared in favor. He was closely questioned by the committee as to whether the life companies had made any deal when they went to Missouri to settle the controversy with Commissioner Hyde. The committee wanted to know if the Massachusetts life companies promised anything as a result of the calling off of the ban on the life companies. The witness said nothing had been promised. Asked also if he would favor the bill if it included life insurance, Mr. Barker said he would.

STRIKES TRUST PLAN

DIFFICULTIES WITH NEW TAX

**Revenue Bill Will Hamper Writing of
Revocable Trusts, Though Not
Preventing Them**

A serious blow has been dealt life insurance trusts by the adoption of the new revenue act, through a change in the taxing of the income of such trusts and through the adoption of a gift tax. The life insurance trust is not, however, prohibited under the new provisions and can be written as extensively as in the past, if properly drawn up. The simple form of revocable trusts which has been written in the past, taken out by the grantor on his own life, cannot be written in the future, but there are several ways in which the same end can be reached.

New Tax Is Prohibitive

The new revenue bill provides that "Where the grantor of a trust has, at any time during the taxable year, either alone or in conjunction with any person not a beneficiary of the trust, the power to revest in himself title to any part of the corpus of the trust, then the income of such part of the trust for such taxable year shall be included in computing the net income of the grantor." Under this provision, the income of the trust must be taxed at the same rate as the total income of the grantor, which would make the proposition prohibitive, particularly when there is added to this the new gift tax feature. The second paragraph of the provision reads, "Where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person not a beneficiary of the trust, be distributed to the grantor or be held or accumulated for future distribution, where all or any part of the income of a trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purpose and in the manner specified in paragraph 10 of section 214—covering contributions), such part of the income of the trust shall be included in computing the net income of the grantor." This is the clause that applies directly to the life insurance trust. In the final form, as shown, a change has been made, however, the qualification "Not a beneficiary of the trust" having been inserted. This qualification was made, as it was evident that the law could not make any trust positively irrevocable, as any contract could be voided upon the consent of all parties interested.

Can Be Created in Two Ways

It is pointed out, however, that the life insurance trust can be created simply in two ways, without meeting the new handicaps. The trust could be created and the policies taken out by the wife on the life of her husband, or vice versa, which would free the transaction from the provisions of this clause. Also, the trust might be created as a simple income trust for the wife, the latter taking out policies on the life of her husband paying the premiums from her own income. The trust thus created would be a simple trust and not brought within the provisions of the life insurance trust. Those trusts that are now in existence can probably be handled by transferring the securities to the nontaxable class, although life underwriters doubt the possibility of writing a large volume of life insurance on such a plan.

"like to think it over" which brought roars of laughter from the audience. The chairman of the committee suggested it might be well to take more time, let the bill go over until another year, and then include life insurance in the provisions.

RESENTS THE POSITION TAKEN BY NEW YORK

**Indiana Commissioner Declares
Empire State Department Is
Dictating to Others**

THREATENS RETALIATION

**McMurray Contends That Companies
of His State Have Rights and
They Must Be Respected**

INDIANAPOLIS, IND., June 4.—The retaliatory law issue between the New York and Indiana departments which has been smoldering for some time shows indications of coming to a head, as inquiries have been received from New York by Commissioner McMurray this week regarding developments. The issue between the departments had rise in the New York department's stand that Indiana companies, to operate in New York, must conform to a technical interpretation of New York's statutory requirements, not only as to their business in New York state but in every state where they operate including their home state. Applying this rule to Indiana companies two of them have amended their charters to conform with this ruling by the New York department, but Commissioner McMurray has not given his sanction to such demands and refused to give a certificate from his office to the effect that such changes had been made in the companies' charters.

Statement by McMurray

In reply to an inquiry from a New York source this week, Mr. McMurray made this statement: "No definite statement has yet been made regarding retaliation law based on New York in the hope that the New York department and interested companies will work out a satisfactory solution of the problem and thus eliminate the necessity for retaliation by this department. The responsibility for any action taken by Indiana rests entirely with the New York department."

The attitude of the New York department, if it insists on applying retaliatory laws to Indiana companies, will certainly react to the embarrassment of New York companies not only in Indiana but in other states as well. Mr. McMurray declares. New York has assumed the attitude and so notified at least two Indiana companies that it is a privilege for companies of other states to be permitted to operate in New York and that, to avail themselves of such privilege, they must submit to the conditions New York sees fit to impose.

Position Is Not Accepted

Mr. McMurray says that such a position cannot be accepted by any self-respecting department of another state and that, if New York persists in applying stringent retaliatory laws to other states, she is going to get considerable similar reaction. At present the Indiana department is not disposed to retaliate in the hope that New York companies may assist the New York department to see the light. Yet a New York company not already admitted to Indiana will find it a bit difficult to get in, as Mr. McMurray says that its application will be closely scrutinized but that he is not disposed to take any unfair stand against companies seeking admission and might admit them under certain conditions.

Will Fight Fire With Fire

Asked as to what position he will take regarding companies already doing business in Indiana, Mr. McMurray said

(CONTINUED ON PAGE 20)

PRESENT IMPORTANCE OF MEDICAL MEN TOLD

Dr. Cook Addresses Medical Section of American Life Convention, as Chairman

COMMENTS ON EXAMINERS

Presents Several Suggestions for Handling This Staff, Which Is a Growing Problem

ATLANTIC CITY, N. J., June 4.—The growing importance of the medical departments to life insurance companies was pointed out by Dr. Henry Wireman Cook, medical director of the Northwestern National Life, in his remarks, as chairman, before the meeting of the medical section of the American Life Convention, held here this week. Dr. Cook said, in part:



HENRY WIREMAN COOK

Medical Department's Growth

"The role of the medical director in the industry of life insurance, since those days half a century ago when he was only called in by the board as an adviser in doubtful cases, has been one of increasing service and responsibility, and especially has this been true during the past two decades.

"Certainly, when the educational and personal equipment of most of the men holding these positions is taken into account, the large aggregate liability involved in their decisions, the great profits accruing to the industry from mortality savings on carefully selected business, the helpful influence of a well-managed new business department in relation to the routine office work and especially the agency department, and the many new duties of the medical director along lines of personnel work, company and community health and welfare,—it is easily understood why the duties of the medical director are now held to be one of the most essential and valuable parts of the well-managed company.

Manifold Service Rendered

"Life insurance deals with the most intimate, the most altruistic, and the most sacred of human relationships, both in its strictly business aspects and in its collateral welfare activities,—and it is our privilege and opportunity for service that in these notable social contacts medicine plays so vital a part:

"The laws of mortality experience, based on vital statistics, and the opera-

NEED DIAGNOSTICIANS

DISCUSSES FIELD EXAMINERS

Dr. McCloud of Minnesota Mutual Addresses Medical Section on Education of These Men

ATLANTIC CITY, N. J., June 4.—Speaking before the meeting of the Medical Section of the American Life Convention here this week, on "The Education of the Field Examiner," Dr. C. N. McCloud, medical director of the Minnesota Mutual Life, said that in his opinion the need of the life companies in the field today is a diagnostician rather than a clinician. He said that he did not believe the field examiners were in great need of further education at the instance of the home offices, though the companies could cooperate in a strong way in their work.

Great Need for Diagnosticians

Dr. McCloud said that many cases have been cited to show that the clinician is not always the most practical for medical examination work. They often overlook the simple fundamentals and attempt to discover some complicated ailment through detailed examination. Particularly an examination for life insurance, the great need is for a discernment as to the general condition of the prospect and this can best be done by a diagnostician.

Suggests Educational Plan

One way in which Dr. McCloud thought that the companies could be of great aid in educating the field examiners was through their medical societies. He told of the recent life insurance symposium during clinic week of the Ramsey County Medical Society of Minnesota. At this time, four prominent life insurance medical directors presented strong papers on various phases of the work and over 500 doctors from all parts of the state gathered to hear and to discuss this symposium. Dr. McCloud stated that he believed this meeting was more beneficial to the business in Minnesota than any other single step taken by the life companies or the field examiners themselves.

tion of interest, furnish the foundation for all life premium calculations.

"Medical diagnosis, prognosis, and judgment determine the acceptance or refusal of every dollar of liability offered to the company, except in the group department.

"Medical knowledge restricts the employment of the unfit in home office personnel, and safeguards and promotes the health and welfare of employees and policyholders.

"Medical departments in life insurance companies have been and will increasingly be an important factor in public health work, improved sanitation, and local and national health and welfare.

"I feel safe in saying that to meet the present requirements of the work, no field of medical practice requires or justifies greater thoroughness in training or more soundness in judgment than does the practice of insurance medicine.

Examiners an Important Link

"An extremely important relationship exists between the medical examiners and the home office. If men were machines, it would be easy to appoint several physicians in each town and then act on the carefully, accurately, and promptly filled out blanks which they would send in. Unfortunately,—or not, as you view it,—practicing physicians are not machines. Their selection is a work requiring intimate and carefully controlled knowledge of variation in medical school training, and also experience is determining which men will give the agent acceptable service and the home office the necessary unbiased information.

(CONTINUED ON PAGE 25)

CASE FOR PART-TIMER

TWO ANGLES TO EMPLOYMENT

Kansas City View Is That They Are Probably Needed in Country Districts but Not in Cities

KANSAS CITY, MO., June 3.—Discussion of the "part time" situation in this territory reveals two distinct elements, one in the city and one in the country. Both the general agencies and the companies seem fairly well agreed that comparatively few part-time men are necessary in the cities, and that the "pluggers" and "cappers," who call themselves part-time insurance men, are the chief evil of the agency system here.

In the country districts, however, many of the companies and general agents still seek part-time agents, and consider that such men must be looked to for a long time to come, in developing business and providing the full-time agents. But there have been fewer of the part-time agents even in the country districts, the past two or three years. This shortage is due to the fact that agencies have not pressed their country business as hard as usual, while the farmers have been in bad shape.

More Careful Selection Seen

It is notable that as educational facilities are increased by companies and agencies, there is an automatic elimination of that kind of part-time man who merely acts as "capper," or sells to his immediate friends. And it appears that a very large proportion of the part-time men now employed or to be employed in this district are carefully selected and given special training. General agents interviewed declared that they would not permit any part-time man to carry a rate book unless he met requirements as to agent's qualifications, and had taken certain training. But the assumption that provision of training courses and schools would eliminate the part-time man altogether is not warranted.

One reason ascribed for the elimination of the part-time men who is merely a commission-splitter, is that general and special agents themselves are "getting wise" to the evils of the casual part-time man. General agents are demanding a higher class of service from all agents, and raising the standards for agents. Not everybody can get into the business, nowadays; and those who get in have to show that they know what they are about, whether they are part-time or full-time men.

Question of Brokerage

The chief emphasis, therefore, in this territory, is not so much on full-time men as opposed to part-time men, as on the necessity for careful selection and training of agents whether full or part time.

Another angle of this same general subject is that of brokerage. Some companies and general agencies are even now refusing to accept business from agents of other companies unless such offered business is surplus, beyond what the agent's own company will carry. These general agencies will not pay commissions to "outsiders," with the exception noted; conserving the business for their own agents, and also providing thus that the service to the customer shall be directly by their own agents, so that the customer will know exactly what he is getting.

Report on Agricultural Life

The Michigan department has published its report of the examination of the Agricultural Life of Bay City showing capital, \$250,000; assets, \$1,244,505; reserve, \$931,637; net surplus, \$27,279. Although the company has paid \$88,450 in stockholders' dividends during the last six years, the directors have voted to pay no more dividends until the surplus amounts to \$100,000.

HOW HE HAS AVERAGED ONE MILLION A YEAR

Harold P. Trosper Addresses Chicago Life Underwriters' Association on Methods

FROM LAW TO INSURANCE

Finds Life Insurance Big Enough for Best Efforts That Anyone Can Give

Harold P. Trosper, vice-president of the American Life of Detroit, who during six years in the life insurance business has produced over \$6,000,000 in paid-for business, writing \$2,500,000 last year, addressed the Life Underwriters' Association of Chicago, June 3, on some of his methods. He does not claim to



HAROLD P. TROSPER
Vice-President American Life

have anything new, but says that most of his selling methods have been picked up from salesmen he meets everywhere.

Ambition to Be Lawyer

Mr. Trosper started out to become a lawyer, and spent six years in the University of Michigan studying law, after which he practiced for four years. Becoming discouraged with an income of \$3,500 a year, he became interested in life insurance. In 1918 he read an article in "System" by Harry B. Rosen, who wrote a million a month for a year. Mr. Trosper believed that he could write a million a year if another man could write a million a month. He spent three months studying life insurance before starting in.

Success in selling life insurance does not mean that a man is a genius, for 80 percent of all sales are made just through the use of common sense, hard work, and seeing enough people. The whole secret is to see the situation clearly and to tell it plainly, because the average layman's mind is an absolute blank concerning insurance. It must be presented to him in a concrete and tangible form before he can see it, and for this reason Mr. Trosper makes ample use of illustrations.

Illustrates Every Point

He always writes figures down, placing them in such a way as to show off the difference between the premium and the estate created. He shows how a deposit of \$365 will create an estate to the value of \$13,300. On this estate there will be no interest charged on the un-

(CONTINUED ON PAGE 22)



W. A. WILLIS
formerly a local agent—now a successful state manager for the Peoria Life.

The **PEORIA LIFE INSURANCE COMPANY**

offers to its agents
a program of constant
all-year-round service—the
practical kind of service that
makes them successful
and prosperous.



Co-operation
Headquarters
Peoria Life Home Office Building

1924

JUNE

1924

SUN MON TUE WED THU FRI SAT

Road Open—No Detours

Agents of the Peoria Life can set their minds at ease regarding their future. Their opportunities are limited only by their ability and their willingness to put forth the effort necessary to win the success that lies before them.

If their taste is for the production of a large personal business, they have every advantage. They enjoy the utmost in Home Office cooperation. They have policy contracts most sound and saleable, and the widest range of prospects, since the Peoria Life accepts children of any age, women on the same terms as men, and issues a policy on every application.

Or if their ambition is not only personal production but the building of a successful agency, that road lies open before them. "All promotions from the ranks" has always been a fundamental principle with the Peoria Life. This is not merely a pleasant theory—it is a fact that the state and district managers of this rapidly growing organization are Peoria Life agents who have come up from the ranks to their present positions of power and prosperity.

PEORIA LIFE INSURANCE COMPANY—PEORIA ILLINOIS

GROUP INSURANCE

YOU know a man among your clients who should carry Group Life Insurance on his employees. You can go into his office and talk to him; he has confidence in what you say.

WE know about Group Life Insurance, and how it will profit your employer-friend to buy it. Through the personal sales assistance of our local office we can join forces with you and place the policy.



Havana in 1925

Group Insurance is one of the lines on which the Missouri State Life Insurance Company offers a perfected brokerage service to all insurance men. The Company's representative in your community will handle business for YOU.

MISSOURI STATE LIFE INSURANCE COMPANY

M. E. Singleton, President

Home Office: SAINT LOUIS

Over Half a Billion in Force

SAYS GIANT POLICIES BIG MORTALITY FACTOR

Martin I. Olson, in Speech Before
Medical Section, Reviews
Past History

IS GENERAL EXPERIENCE

Harmony in Prevailing Opinion That
Mortality Is Directly Proportion-
ate to Policy Size

ATLANTIC CITY, N. J., June 4.—A thorough analysis of the mortality experience under large policies was made by Martin I. Olson, medical director of the Central Life of Des Moines, speaking before the meeting of the American Life Convention here this week. Mr. Olson presented a wealth of figures to show that there is a strong selection against the company, directly in proportion to the size of the application. He said in part:

Giant Policies Big Factor

"With the increasing popularity and tremendous growth of life insurance there have followed certain developments which affect largely selection as well as the more general problems of the company. I refer particularly to the very common practice of writing giant policies on individual lives, the liberalization in provisions and interpretation of policy contracts and finally, the very general acceptance of physically and otherwise impaired lives.

"Considering first amount, it may be stated as a generally accepted fact that large applications per se constitute an adverse element. In discussing this matter, Dr. Fisher of the Northwestern, goes so far as to view an application for a large amount of insurance as a definite impairment and this view bears no doubt some relation to the very favorable experience of this company on the group in question.

Losses Increase With Size

"The several company and joint investigations at hand, show clearly this effect of size of policy on mortality. The specialized mortality investigation, completed in 1903, shows a ratio of 108 percent on all policies of \$20,000 and over. In the American Men experience covering the 15 year period ending 1915, the mortality on policies of \$50,000 and over was 117 percent of that table, increasing to 131 percent on those of \$100,000 and over. In 1919 Mr. Brandreth Symonds gave a very detailed report on large risks insured in the Mutual Life. With the well known care exercised by this company, the mortality on all cases of \$50,000 and over on one application was 112.6 percent of the M. A. table. On further subdivision a group involving more than \$250,000 per application showed a ratio of 247.5 percent, but the group was rather too small to admit of any very definite conclusions. It is in harmony, however, with the prevailing opinion that mortality increases directly with the size of the policy. In connection with this report and speaking for the New York Life, Dr. O. M. Rogers reported a mortality of 120-130 percent of the M. A. table on large risks insured in that company.

Many Standards Used

In making comparisons such as these one must always bear in mind the varying standards of selection applied in the different companies as well as the varying degree of liberality in policy contracts. Referring to more recent experience, I have a letter from one of the larger companies, which reports a mortality on all policies of \$50,000 and over,

exclusive of term, as 106.4 percent by amount, whereas the corresponding policies under \$50,000 gave a ratio of 70.9 percent.

"It may not be amiss to refer in passing to the one striking exception to the general experience noted above. Again quoting Dr. Fisher of the Northwestern, we read 'Thus far the mortality on the limit cases accepted by the company has not been in excess of the general average of the company covering the same period.'

"The present close relationship that has come to exist between business generally and life insurance and the constantly growing use of life insurance in meeting estate and inheritance taxes would appear to justify the writing of many of these large cases and to lessen the element of speculation. Granting this, the class will still continue to show a mortality above the average and will always call for the utmost care in selection.

Most Important Factors

"Just what factors enter in to make the large policyholders less safe than the average risk is not always clear. The following conditions operating singly or in combination will be found to obtain in many of the less fortunate cases.

1. Individuals who can afford the larger policies are likely to be men of influence and prominence in their communities, particularly in the smaller centers, and this feature is hard to overcome in the examiner's and to a certain degree in the inspector's reports.

2. Men applying for the larger policies are usually more advanced in age than the average. In the group reported by Dr. Symonds, the average age at entry was 42 while the average age for the company was 32.8, a difference of 9.2 years.

Big Men Poorer Risks

3. Men of wealth are subject to unusual nervous strain from business cares and their social life. The effects are often latent and not revealed by the

usual cursory examination made. No examiner's blank yet devised compels a prospect to disclose what is on his mind nor to extract history which he may prefer to cover up. An analysis of the claims among large policyholders reveals an undue proportion of deaths from suicide and the degenerative group of diseases.

4. There is no doubt a tendency in the men of wealth to indulge their appetites in the matter of food and drink. These excesses combined with a lack of physical exercise tend to put on weight at a time in life when it is least to be desired.

5. In men of big affairs it often becomes exceedingly difficult to ascertain the exact financial status and income. The claim investigation is not infrequently the first intimation of an impending financial collapse.

6. Large means make it possible to cover up more readily immoderate use of liquor and the secret vices the individual may have. A death by suicide or some doubtful accident is often the first link in disclosing an unsuspected mode of living and habits in a respected neighbor and citizen.

Agent Important Factor

7. The interest of the agent is a factor always to be contended with, increasing in importance with the size of the case and the value of the agent. This concerns not only the direct return to the agent from the individual case, but also the more remote effect of the company's action on his business locally by reason of the prominence of the applicant. This is no doubt the factor which determines the alleged less rigid standards applied in dealing with the candidate for a large policy.

"In summing up it would appear that over-insurance combined with concealed impairments and a lack of insurable interest are the chief factors concerned in the less favorable experience on the larger policies. The fact that many of the large cases are split up among a

number of companies or handled by re-insurance does not in any sense mitigate the bad results. Quoting Dr. Symonds again, we read, 'It seems appropriate to insert here the remark that we too have suffered by re-insuring risks from other companies in the United States to the extent of 186 percent of the expected to the actual losses.'

Term Insurance Selection

"In the matter of adverse selection, plan of insurance stands in rather close relationship to amount. There appears to be a well defined tendency for the inferior risks to seek insurance on the cheaper plans. This is borne out amply by the higher mortality experienced generally on term insurance. We have further recognition of this fact in the attempt of companies to restrict issues on term insurance by having a relatively low limit of retention and by the paying of small commissions to the agent.

"The serious effect of term insurance is particularly evident when combined with the larger issues. This is brought out in a striking manner by the experience of one of the larger companies recently reported to me. I quote from a letter on the subject, 'Briefly it has been determined that the undue excess mortality among large policyholders in this company occurred in the experience of applicants for term insurance in large amounts. With term insurance eliminated, our experience on large policyholders has been reasonably satisfactory. We can, therefore, conclude that self selection was a factor in the applicants applying for term insurance. Our mortality, American Men Select Table, on all policies other than term, \$20,000 and over, was 85.7 percent. On term policies in the amount of \$20,000 and over it was 180.0 percent. These figures are by amount. Selection against the company is further indicated by the fact that the corresponding experience by number was 81.3 percent and 70.0 percent, respectively.' This experience coming from a company with an enor-

mous volume and where selection is known to be most thorough may be taken as a fairly accurate index of what may be expected generally on the large issues of term insurance.

Conversion Against Companies

"A delayed and less direct adverse element in term insurance relates to the renewed or converted policies. In an analysis of the Prudential's 10 year term policies made by Frederick H. Johnston, before the Actuarial Society in 1921, this feature was brought out forcibly. The report dealt with 19,042 policies, covering approximately \$82,000,000 of insurance. Thirty percent of these issues were converted to some other form of policy. The experience before conversion was 53.69 percent by number as compared with 98.53 percent after conversion. A further analysis by year of change showed a progressive increase in mortality as the end of the conversion period approached. The ratio of policies converted in the first and second years was 45 percent, of those in the third and fourth, 60 percent in the fifth year, 129 percent and thereafter 130 percent.

"In this report the effect of age in relation to conversions was equally striking. The mortality on policies converted at an attained age of 39 or under was 64.42 percent, at ages 40-49 inclusive 91.34 percent and at ages 50 or over 164 percent. The conclusions to be drawn from this study are obvious. Term insurance calls for special care in selection under all conditions but particularly at the older ages and when large amounts are concerned."

Mutual Life's Oklahoma Meeting

A state convention for the Oklahoma agents of the Mutual Life of New York was held in Oklahoma City Saturday, under the direction of E. Guy Owens, general agent. A luncheon was held at noon and a banquet in the evening. A three-minute talk was made by each one present.

Strong Points for Agents

The Peoples Life Insurance Company receives many inquiries from agents regarding its Infantile and Children's Policies, which are issued at birth on the Whole Life, Limited Pay and Endowment Plans. We are glad to answer these inquiries.

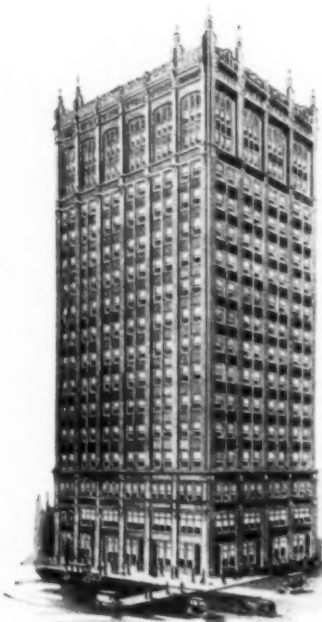
The agent, whose stock in trade includes these forms, is in an unique position to render a genuine service, and establish friendships.

There is a supreme satisfaction in the sale of these policies, because of the benefit conferred upon a future generation.

"Life is worth living if the future is provided for"

The
PEOPLES LIFE
INSURANCE COMPANY

Chicago, Illinois



PEOPLES LIFE BUILDING

GIVES OBSERVATIONS ON BORDERLINE CASES

Flanigan of Bankers Life Tells
Medical Section His Views
on Problem

MANY FACTORS WATCHED

Risk Committee Work Shows Need for
Great Care in Underwriting
All Risks

ATLANTIC CITY, N. J., June 4.—The many factors entering into the underwriting of life insurance, particularly in connection with border line risks, were reviewed by J. E. Flanigan, actuary of the Bankers' Life of Iowa, speaking before the meeting of the Medical Section of the American Life Convention here this week. Mr. Flanigan presented his observations from risk committee work, showing the practice of his company on many of the important underwriting questions. He said in part:

Many Questionable Factors

"Among some of the more important subjects continually coming up before a risk committee might be mentioned the following: Speculative hazard; over-insurance; morals; habits; reliability of inspection reports; race; habitat; knowledge of the agent writing the case; examinations by unauthorized examiners; completion of unfinished business. All of these points arise in connection with the life insurance part of the application, but some of them come up to an even greater extent in connection with the underwriting of the total permanent disability and double indemnity benefits.

Watch Speculative Hazard

"The first two points, 'speculative hazard' and 'over-insurance', may be considered as one, for it is hard to draw a line between the two terms in many cases. From the nature of the hazard, it is quite apparent that a case in review before the committee is usually one of fairly large amount, although there are many cases of over-insurance, even on \$5,000 and \$10,000 policies, where the speculative hazard is really negligible. I am one of those who believe that the average mortality among large policies should be better on business written within the last few years and in the future than on past business. My reason for believing this is that the inheritance tax problem furnishes a legitimate reason for many wealthy people applying for very large amounts of insurance.

In the past, the mere fact that a man was applying for a very large amount of insurance was enough to make all underwriters view the case with suspicion, and the mortality experience of the past upon such business has shown that their fears were well grounded. Undoubtedly, in the future, there will be as many large policies applied for and issued where there is selection against the company, as in the past. On the other hand, however, there should be many more cases upon real good risks which should give a better average mortality. I am strongly of the belief, however, that when a man's capacity to pay his insurance premiums is in doubt or where there is doubt as to his worth or income being sufficient to justify the total amount of insurance on his life, including the amount applied for, that the decision of the committee should be to decline such insurance or to reduce the amount applied for. In such cases, it is many times good underwriting to issue a small amount of insurance, but not the amount asked for in the application.

No Statistics for "Habits"

"The third and fourth points, 'Morals' and 'Habits', are more or less interre-

lated and we have no definite statistics to guide us in handling risks where the morals or habits are not strictly first-class. I think it will always have to be a matter of individual judgment as to whether any case should be declined, rated or issued as 'Standard' where the morals or habits are not strictly first-class. Certainly, more attention should be paid to the morals in the case of large amounts of insurance than in smaller amounts. There is one point in connection with the speculative hazard, morals and habits that I wish to emphasize and that is—at least on large cases, insurance should not be issued unless the inspection reports cover at least three to five years just previous to the application for insurance. I know of cases which were issued with the Inspections covering a period of only one year, the applicant having moved into the community from another part of the country one year before the application was taken, where the policies became claims shortly after the incontestable period had expired.

Recheck Inspection Reports

"In connection with the fifth point, the average agent is more inclined to question the company's action where the case has been declined on account of the inspection report than all other causes, if he has reason to believe that the rejection was made on account of information received through regular inspection channels. In our own company, we adopted a rule several years ago not to reject or rate any case on account of inspection until we had checked the information in the inspection report by an alternate inspection or from some other source. We have made our agents familiar with our viewpoint in this respect and there are practically no complaints from agents today relative to inspections, while before we adopted this rule they were fairly frequent.

Consider Race and Habitat

"The sixth and seventh points, 'Race' and 'Habitat', are also interrelated to a certain extent. The question of insurability of Japanese and Chinese in this country is confined very largely to the western portion of the country. The problem of insurance for Mexicans is confined largely to the states bordering Mexico and probably the bulk of the applications made to our company upon the lives of those having Indian blood come from Oklahoma. It is our practice to decline applications upon the lives of Japanese and Chinese, even though from a mortality standpoint they might be issued upon the sub-standard basis. We have in mind particularly the fact that these men may return to their native countries and there may be a strong doubt as to whether the insured was the one who really died and was buried at the time the policy was supposed to have become a claim. This would be especially embarrassing if the insured died while in Japan or China, unless a company was operating in those countries. Our company does business in the states of Texas and New Mexico and our general rule is to decline Mexicans for insurance, although some, who have either been born in the United States or lived in the United States for a long time, have been issued small amounts at Standard rates. On such cases, however, we usually require that the applicant be of the higher type, usually in business for himself and not a common laborer. Our rule on Indians is not to accept them, if the applicant has more than one-fourth of Indian blood. There are some high class risks among the Indians, but usually if agents are given to understand that the Company will consider risks upon Indians, Mexicans, Chinese, Japanese, etc., you will have more rejections than issues among them. It is well to have rules against general acceptance of these risks, making favorable exceptions from time to time and it is best to have them submitted by a preliminary application before the examination is made.

"In connection with the eighth point, it is very desirable that the medical director and other members of the risk

committee have as wide an acquaintance with and knowledge of the agents of the company as possible, as many times the agent has information which goes to the home office, together with the application, throwing light upon some peculiar feature of the case and the weight to be given to this information should depend largely upon the character and reliability of the agent in question. We instruct our salesmen at conventions and agency meetings to give us any special information in connection with a case when it is sent in. It is the policy of our company to have the medical director attend the general agency meetings or schools of instruction as well as to make occasional agency trips with members of the agency committee. We believe this has resulted in much good and has brought about greater co-operation, not only between the salesmen and the medical department, but between the agency and medical departments. Each learns to appreciate the other's problems, the salesmen learn that the medical directors are human and not holding their positions with the Company for the express purpose of cancelling commissions, which from their point of view they have already earned in completing the application and getting the applicant examined, and, on the other hand, the medical director finds that the salesmen are a high grade group of men and he gets their viewpoint much more readily without destroying his efficiency from the standpoint of selection and such relationship unquestionably makes for closer harmony between the salesmen and the medical department.

Use Only Authorized Examiners

"The foregoing practice has also very largely eliminated what was once more or less of a problem with us; that is, the handling of applications for insurance where the examination was made by an unauthorized examiner of the company, there being one or two regular examiners in the community who presumably were available. The medical director at various agency meetings has been able to explain the company's attitude upon this point and show why it is of great importance to us and a saving of time and money to them and how they will get better service, etc., by using our regular appointed examiners at all times and that in such rare cases as do occur, to give an explanation of why the regular examiner could not be used.

Examination Up to Agent

"In connection with getting examinations on incomplete business, I believe the secret of reducing such unfinished business to a minimum is in the early training of new salesmen. The medical department and agency department should both make it a point with new men to impress upon them that it is their duty to see that the applicant is examined and not the duty of the examiner in the field. Of course, the examiner in the field should co-operate as much as possible, but it is the salesman's problem to get the man examined and that should be thoroughly impressed upon him when he is green in the business and it can be more readily accomplished by the agency department. It is in such points as these that close co-operation and a friendly relationship between the agency and medical departments result in great good to the organization.

"A source of constant petty trouble in many companies is the charge back of medical fees to the salesmen when they have violated some rule of the medical department with reference to an examination. In such cases, our practice is to charge the medical fee where a rule is violated. If protest is made by the agent against the charge, it is removed, if he can make out a satisfactory case and it is removed if the salesmen is new, but he is warned at the time that there will be no excuse for waiving such a charge in the future.

Forces Brought Together

"Many years ago in the life insurance business, we had no such thing as a

SEEK CITIES BUSINESS

COUNTRY PRODUCTION BEHIND

Many Life Companies Are Putting in
Their Best Licks on More Con-
gested Centers

A number of life insurance companies that have been devoting the larger part of their attention to the country districts in the central west and northwest, have found it very advisable to give most of their time to the cities which are in a more prosperous state than the agricultural areas. Some companies have received 90 percent of their business from the farmers and citizens of towns in farming communities.

Life insurance men find that but few of the agricultural centers have "come back." Where farmers are raising produce that find a ready sale they are thrifty. This is true in the dairying sections. The farmers became so involved that it will take them a long time to pull out of the hole. They are still on the wrong side of the ledger and are in a bad way. It is true that conditions have improved to some extent but life companies say that they can get more for the dollar expended in the cities than they can on the farms at present.

Getting at the Cities

Hence competition is far keener in the cities than it has been. Some of the medium sized and smaller companies have kept away from the cities because of the higher expense. Then again the mortality was not so favorable for them because they had considerable brokerage business thrust at them. In order to make a dent in the cities they had to pay higher commissions than they did in the country. Agents had to be financed and the general overhead was far greater. However, under present conditions production is far more satisfactory in the cities and they are becoming the feeding ground for many more companies than ever before operated in them.

Wanamaker Takes \$1,500,000 More

During the past month, Rodman Wanamaker, who is past 60 years of age, has been insured by American and Canadian companies for more than \$1,500,000. This makes the total insurance on his life more than \$6,000,000, the largest amount ever carried by any one man. He was the first business man to be insured for \$1,000,000. The large line written last month was the work of J. Bickley Simpson of Philadelphia. It was necessary to include practically all of the American and Canadian companies to secure the amount.

Rodman Wanamaker was the first business man to be insured for \$1,000,000 or over. His father, the late John Wanamaker, was for many years the most heavily insured man in America.

numerical method of rating risks and did not have risk committees to pass upon doubtful cases and determine questions of company policy which constantly arise. In our own company at least, the formation of a risk committee has brought the field force and the medical department much closer together, which, after all, is really the big problem. Each department must have an understanding of the trials and tribulations of the other department. At the same time, many of the points arising are questions of company policy and the medical director has the benefit of the advice of others who are competent to give advice upon many of the questions arising. The committee is also an added advantage to the medical director in relieving him of part of the responsibility of charting the best course to pursue in connection with these matters."

PENN MUTUAL MEETING**GENERAL AGENTS' CONVENTION**

Old Officers Relected at White Sulphur Springs Session—Notable Program Presented

The Penn Mutual held its first agency convention of the year at White Sulphur Springs, W. Va., last week with attendance from all parts of the country. The meeting was that of the Penn Mutual Agency Association. This organization is made up chiefly of the company's general agents, and it will be followed later in the year by regional conventions in several parts of the country. In the four days there were six sessions, together with numerous small-group conferences.

As at all Penn Mutual conventions, the home office was strongly represented, each department sending an official, so that the work of the organization as a whole during the year could be described at first hand, and questions answered and suggestions discussed. The home office group included President William A. Law, Agency Vice-President William H. Kingsley, Dr. Harry Toulmin, vice-president and medical director; Dr. J. P. Hutchinson, associate medical director; Sidney A. Smith, secretary; George R. White, associate actuary; M. L. Johnson, assistant actuary; Harrison S. Gill, superintendent of applications and death claims; J. Howard Jefferies and Ralph Humphreys, assistants to the vice president; E. Paul Huttinger, tax expert in the law department; William P. Bantz, mortgage department; Thomas R. Crowley, agency department; A. E. Veith, home office field representative; Joseph M. Conover, purchasing agent; Stewart Anderson, manager bureau of field

service. Fourteen trustees—a majority of the board—were in attendance.

Old Officers Relected

J. Edward Durham, trustee and general agent at Philadelphia, has for many years been president of the association, and was relected. Charles J. Iredell, general agent at Cincinnati, was relected secretary.

President Law in his address made some striking comments on taxation. In that connection he said:

"For the first time in its history the company last year paid a million dollar tax bill. What is much more striking is the growth in the rate of taxation, which has increased from 5.4 percent of the company's investment income in 1917 to 8 percent of investment income in 1923, an increase in six years of over 48 percent. The entire day could be spent in the discussion of life insurance taxation, but I will go no further than to say that there is crying need for reform. New and ingenious forms of taxation are being constantly invented, adopted and put into effect.

"Aside from the taxation of the company, let me urge you all as individuals to use your influence at home to effect a reduction in the present federal income and profits taxes and a more economical governmental policy. This is not a partisan or party problem, but a problem affecting every industrial business. The high surtaxes are forcing men of exceptional wealth to invest their funds in tax exempt securities, thus raising the cost of capital to every railroad, public utility or industrial corporation, and in the end increasing the cost of living."

Good Sales Material Given

Some valuable sales arguments were presented by Vice-President Kingsley in a sales contest in which he was the salesman and Ralph Humphreys, assistant to the vice president, was the prospect, giving some helpful suggestions for canvassing the "not interested" rich man. William J. Amos of the home

Some Observations by Large Chicago Producer

CHARLES B. STUMES, who is associated with the Bokum & Dingle general agency of the Massachusetts Mutual Life in Chicago, is one of the large writers of insurance in the city, a man who is dealing with large insurance projects. Mr. Stumes said that while business may slump from time to time and this may affect the writers of smaller policies, the man of large income can always raise enough money to pay a premium if he can be shown that life insurance will solve his financial problems.

Money Used in Own Business

Wealthy men, he states, are not buying anything in insurance unless they see it is to their advantage. Men of large incomes during their productive period usually have most of their money invested in their own business. Of course they have certain side interests but the bulk of their money is tied up in their own enterprises. While they are in good health and things are moving along in good shape they are making money. They are probably living on quite an expensive scale.

Life insurance therefore should have a big appeal to a man whose interests are so concentrated. Such a man naturally is a good prospect for business insurance because his life is very vital to his concern.

Mr. Stumes always shows his prospects what will happen in case of his

office agency gave a notable talk on selling business insurance, in which Mr. Amos has been very successful.

The outstanding address from the field was by J. Elliott Hall, of the Hall & McNamara Agency, New York. Using the blackboard, he gave a forceful, graphic exposition of salesmanship, which drew enthusiastic applause from his appreciative audience.

death. He tries to put himself in the place of a man and imagines just the procedure of events. His investments outside of his business are likely to be liquid securities. They are stocks and bonds. Mr. Stumes points out to the man that these liquid securities are the ones that must be sold probably at a sacrifice, in order to meet the various death demands in the way of extraordinary expenses, estate and inheritance taxes.

How Life Insurance Helps

The expenses at death will have to be met and it is necessary of course to get the money. Where a man has the bulk of his money in his business, it probably would involve a terrific sacrifice to sell it at his death. Therefore, Mr. Stumes declares a man should have sufficient life insurance to carry both his business and family along until a proper readjustment can be made. The family, he says, may be living at the rate of about \$20,000 or \$25,000 a year. It will be impossible to curtail expenses at once. It will require time to make the adjustment. Enough life insurance should be at hand to take care of these demands.

Opposed to Life Insurance Trust

Mr. Stumes is very much opposed to the life insurance trust. He declares that the trust companies and a number of life agents have been pushing this beyond a point that is desirable. So far as he is concerned he tells his people that their interests can be much better conserved by leaving the money with the life companies instead of creating an insurance trust. The trust companies themselves may be off on their advice. A life company is safe. If a monthly income is provided the assured knows that his family will get it regardless of what happens.

Vice-president **Lee A. Phillips** of the Pacific Mutual Life will spend the summer abroad with Mrs. Phillips and their younger daughter, who are now in Europe.

What The Inter-Southern Life Says About The Soda-Fountain Boys



INTER-SOUTHERN LIFE BUILDING.
OWNED BY THE COMPANY

MANY A BIG MAN started life as a news-boy; others as a soda-fountain boy who moves back into the drug department, and finally to the prescription case.

IN MANY WAYS, he will never dispense better medicines than he did up at the soda fountain. Carbonated waters are healthful. Pure ice-cream is like milk, excellent food. The dispensers of ice-cream sodas made from pure unadulterated creams, milks and chocolates with carbonated water, are the dispensers of healthful foods.

PROVIDING YOU ARE SERVED with good, clean, wholesome ice-cream sodas, instead of other concoctions.

Get the Soda-Fountain Habit**Gains for 1923—Forty-Two Per Cent.**

The assets were increased during the year 1923, from \$7,371,274.27 to \$10,464,497.66, or a net gain of \$3,093,223.39, or forty-two per cent. gain in assets within one year.

The insurance in force was increased from \$62,591,398.00 to \$88,502,568.00, or a net gain of \$25,911,170, or forty-two per cent gain in insurance in force.

The Capital, Surplus and Reserves for the protection of policyholders increased from \$7,256,800.08 to \$10,258,775.87, a net gain of \$3,001,975.79, or forty-two per cent increase.

INTER-SOUTHERN LIFE INSURANCE COMPANY**LOUISVILLE****JAMES R. DUFFIN, President****KENTUCKY****Eighteenth Year**

New Policies

New and appealing line of policies being written.

Rates exceptionally attractive.

Unusual contracts to agents.

Several splendid agencies open in Iowa.

Write for information.

Louis H. Koch, President

**NATIONAL
AMERICAN**
LIFE INSURANCE COMPANY

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DISABILITY COMMENT

SHOWS MORTALITY RELATION

George Graham, Speaking Before Medi-
cal Section, Tells of Past Experi-
ence and Probable Trend

ATLANTIC CITY, N. J., June 4.—
Speaking on "Disability Applications
and Claims" before the Medical Section
of the American Life Convention here
this week, in discussion of Dr. Baker's
paper on this subject, George Graham,
vice-president of the Central States Life,
commented, in part, as follows:

Still in Elementary Stage

"It is the responsibility of the actuary
to substitute facts for impressions and
when the facts are available to him he
is certainly in a position of advantage
as compared with those who are com-
pelled to rely upon general observations
and impressions.

"Unfortunately the solution of the
problems of disability insurance, and in
particular those relating to the present-
day benefits, are still in the elementary
stage with few facts assembled as yet
from which to prove or disprove our
impressions.

"We all know that the granting of
disability benefits is of recent develop-
ment; an analysis of an experience which
up to date is bound to be limited in
duration will show somewhat different
ratios from those that may be expected
after a sufficient period of time has
elapsed so that the disability business of
the companies will correspond more
closely to the life business in the mat-
ter of age distribution and duration. It
is possible that as the average age of
those enjoying disability benefits ad-
vances the proportion of disability claims
from tuberculosis of the lungs may di-
minish and there may be an upward
tendency in the ratio of those claims
caused from such diseases as are more
common at advanced middle life, such
as paralysis, cancer, heart disease, di-
abetes and Bright's disease. In other
words, such analyses as have been pos-
sible up to date may over-emphasize the
importance of tuberculosis and under-
rate the significance of the degenerative
diseases.

Disability Plan Suggested

"In connection with impaired lives in
general Dr. Baker suggests a basis for
the granting of disability benefits that
would place the great majority of the
risks accepted for life insurance on a
parity except as to the cost of the dis-
ability benefits. He suggests the same
percentage increase in the normal dis-
ability premium as is shown by the life
rating plus an additional 25 percent of
the normal disability premium and ad-
vocates the rule for all cases up to a 175
percent life rating. This rule assumes a
close agreement between the increased
disability and the increased mortality of
impaired groups with a margin for safety
of 25 percent of the disability premium.

"In a group of substandard lives rated
for life insurance purposes, to illustrate,
say 175 percent of the standard rate, it
is unlikely that the mortality will main-
tain a uniform increase year by year of
75 percent over the standard; rather in
many groups we may look for substan-
tially less than this in the years imme-
diately following selection with a rather
rapid upward trend thereafter to a peak
which may be well over 175 percent of
normal followed again by a downward
tendency gradually approaching, if not
actually reaching normal after the lapse
of perhaps 20 or 30 years.

Substandard Experience Differs

"Among substandard groups, the rate
of disability may be expected also to
take an uneven course, and as the risk
when accepted may be said to be parti-
ally and temporarily or partially and
permanently disabled the barrier be-
tween good health and total and perma-
nent disability is certainly weakened,

TALKS WITH LIFE INSURANCE MEN

PRESIDENT R. W. STEVENS of
the Illinois Life points out a very
obvious fact, which, however, too many
agents do not recognize. The only way
in which to find out if a man is open to
life insurance is to ask him, and it nat-
urally follows that the greater the num-
ber of men asked each day, the greater
the number of prospects. An active
agent who is really working should be
able to make 25 straight canvasses a
day. Out of this number perhaps two
applications may be written, about four
prospects developed, and 19 men found
who are not open to life insurance and
upon whom no more time should be
wasted. By following this plan con-
sistently, the waste material in the
agent's locality will soon be eliminated,
and he will be in a position to spend
his best time and efforts only upon such
men as he knows are open to insurance,
and willing to consider the proposition.

Mr. Stevens said that men who go
into the life insurance business to win,
even though they have only ordinary
selling ability, can win on a straight
canvass system. The price of success
is hard work, and even though the sales-
man may not be a genius, he can obtain

success by consistently following the
straight canvass system.

* * *

MILDRED DRYFOOS of the Erie,
Pa., agency of the Connecticut
Mutual experiences no difficulty in find-
ing prospects. They are everywhere
and can easily be found by anyone who
will keep his eyes open.

Recently while she was returning to
Erie, the train was held up for about
five hours by a wreck, and naturally the
passengers began to get restless. A
man who seemed to be about 50 began
talking to her, and noticing her brief
case, asked what she was selling. This
gave a splendid opening and for two
hours they discussed life insurance as a
method of creating an estate and dis-
tributing it by contract in preference to
building a general estate of stocks,
bonds, etc., and distributing it by will.
She made an appointment to see him
in Erie the next morning, and returned
from that interview with a check in full
for the first annual premium together
with his application for a ten payment
life policy. He was in Erie on business
from another city but his policy was
issued and delivered to him on his next
trip to the city.

possibly to a considerably greater degree
than indicated by the additional life rat-
ing. Moreover, after disability has oc-
curred the period which will elapse
before death ensues may be longer be-
cause of the slower progress of the
disease than when a standard risk is the
victim. Under such circumstances we
would be faced with a doubly unfavor-
able situation consisting of a heavier
disability rate and a lower mortality rate
after disability.

"Mr. Little of the Prudential has
called attention to a special class in his
company consisting chiefly of over-
weights and occupational hazards on
which an extra mortality of about 30
percent was expected, which showed
only 20 percent actual increase over the
normal mortality, but the disability rate
experienced was nearly double the nor-
mal.

Does Not Follow Mortality

"Again in connection with occupa-
tional hazards, Mr. Little has stated that
in the group department of the Pruden-
tial the clerical group showed the low-
est mortality and the highest disability,
being greater than the disability among
miners, railroad and steel workers. The
miscellaneous group was second lowest
in mortality and second highest in dis-
ability.

"In the analysis of deaths by causes
among the industrial policyholders of
the Metropolitan it was shown that the
clerical group and a number of other
occupational groups ordinarily rated as
standard risks for life insurance, such
as printers and compositors, plumbers
and gas fitters and textile mill workers,
experienced a substantially higher death
rate from tuberculosis than many of the
occupational groups rated on account of
the accident hazard as substandard for
life insurance.

"Many of the occupational groups
with high death rates from accident ex-
perienced less than the average death
rate from tuberculosis. The highest
death rates from accidental causes in
hazardous occupations occur at those
ages where tuberculosis is generally
most evident and doubtless tend to de-
crease the number of deaths that would
have resulted ordinarily from tubercu-
losis.

Future May See Change

"Having in mind the high percentage
of disability claims caused from tuber-
culosis it is entirely possible that the
experience of the Prudential will be
borne out by future investigations. It at
least seems to emphasize the importance
of tuberculosis as a cause of disability,
and while I have indicated the possibi-
lity that future analyses will show a

diminishment in the ratio of disability
claims caused from tuberculosis, I ex-
pect it will continue, in spite of the
success with which it is now being com-
bated, to be the principal cause for
claim. Indeed as a factor in disability
it transcends all others in importance
and must therefore be given most care-
ful consideration by us.

"The tendency of the companies in re-
cent years has been to become more
liberal in their treatment of applicants
for life insurance benefits who report
tubercular history. Many cases of aver-
age weight or better with one or more
cases of tuberculosis in the family his-
tory are granted standard rates for life
benefits and an examination of the
classes reported in the medico-actuarial
investigation indicates that those with
only one case of tuberculosis in the fam-
ily history, of good weight and over 30
years of age, eligible for life insurance
at standard rates, may be granted the
disability benefits as freely; but where
two cases of tuberculosis are reported in
the family history, even among over-
weights, the death rate from tuberculo-
sis was found to be about twice that
among standard lives of the same
weight. Among underweights with a
tubercular taint in the family history the
death rate from tuberculosis was from
two to four times the standard.

"Provision for a 75 percent additional
mortality in connection with life bene-
fits would cover cases of extreme under-
weight at the younger ages with one,
two or even three cases in the family
history. Referring again to the medico-
actuarial investigation, we find that in
these groups the deaths from tubercu-
losis may run as high as four times the
normal, and if we assume that all cases
of tuberculosis are preceded by some
period of disability and that the mortal-
ity among lives disabled from tubercu-
losis is not different from that among
all disabled lives the extra loss sustained
among such substandard groups from
disability caused from tuberculosis would
call for substantially more than double
the standard disability rate. The further
fact should be kept in mind that dis-
ability claims arising from tuberculosis
are among the most difficult to handle
and that such claims will generally ap-
pear in the early years of duration.

"To grant disability benefits to all ap-
licants where tuberculosis is a factor
and where the rating for life insurance
benefits does not exceed 75 percent
seems to me to be extending the bene-
fits somewhat further than statistics at
present available to us would warrant
even with a further 25 percent addition
to the extra premium."

URGES CONSERVATION

SAYS WORK IS PROFITABLE

Dr. Muhlberg, in Talk Before Medical Section, Commends Hygiene Educational Campaign

ATLANTIC CITY, N. J., June 4.—The value of conservation work in prolonging the life of the average policyholder was emphasized in the talk before the Medical Section of the American Life Convention here this week by William Muhlberg, medical director of the Union Central Life, who said in part:

Work Is Profitable

"I am thoroughly convinced that conservation work in any of its phases is profitable. It unquestionably prolongs the life of the average policyholder and it promotes good will between the policyholder and the insurance company. There are, perhaps, certain limits beyond which the financial returns may be meagre—and I am open to conviction on that point, but there can be no question of the value to the insurance company of distributing literature on hy-



DR. WILLIAM MUHLBERG

giene, of offering annual free examinations of urine of all policyholders, and perhaps full examinations of the larger policyholders.

"But to my mind, the most important phase of conservation is education. The average person shortens his life through sheer neglect and gross ignorance, and any propaganda that will induce him to take as much interest in his health as he does in his home, or his finances, or even his automobile, will reap rich rewards.

Prolongs Average Life

"Barring accident, the average person should live to 70 or beyond, but in order to do so, it is almost essential that he have some elementary knowledge of hygiene. There are certain fundamental things that must be done—proper diet and outdoor exercise, proper ventilation, proper rest and moderation in matters of physical exertion and mental activities. Furthermore, they must know how to recognize premonitory symptoms that point to serious diseases; and finally—and this is the hardest of all—they must be induced to consult their physicians annually for health examinations. Unfortunately perhaps, there are some persons who, in spite of neglect and ignorance, live to be over 70, but that of course, does not explain why two-thirds do not reach that age, but die, as a rule, of preventable diseases.

"I am so convinced that education of this sort will prolong lives that several years ago, I considered the advisability of publishing quarterly, a journal of hy-

SOME RECENT COURT DECISIONS INVOLVING LIFE INSURANCE

Change of Beneficiary—The plaintiff was the beneficiary named in an insurance policy on the life of her deceased husband. The policy was issued in 1902 and provided that the assured might change the beneficiary by filing a written request for change. In 1923 the husband executed a deed of trust to certain trustees conveying to them all his real, personal and mixed property of what ever nature. The wife joined in the deed of trust. The court held that the trust agreement effected an assignment of the insured rights in the policy, but even if the assignment carried the right to change the beneficiary, that right had not been exercised up to the time of the death of the insured, and that the plaintiff was now entitled to the proceeds of the policy. *Mahoney vs. Eaton*, N. Y. Supreme Court Spec. Term. Pt. 4. Decided May 9.

Waiver by company of forfeiture of policy on account of failure to pay premium—A note was given to pay the premium on the policy on which this action was brought. The policy provided that failure to pay such a note when due should render the policy void. The note in question was due on Oct. 20, and the insured died on Oct. 28. It was held by the court that a letter written on Oct. 30, 1918, by the company to Cox, in ignorance of his death, impliedly extending the due date of the note, was not a waiver of the provision of the policy since the company did not know of the death of the insured. The court also held that there was other evidence in the record from which the jury could infer that the company by its conduct waived this provision of the policy after Cox's death. *Amer. Life Assn. vs. Vaden*, Supreme Court of Arkansas. April 28.

War Risk Insurance—One Law brought this action to recover for alleged permanent total disability incurred while in the service in the U. S. army. The disabilities consisted of loss of left arm, injury to left leg from shell wound, breaking of arches of the feet and nervous infirmity. The government denied permanent and total disability, and contended that the policy had lapsed for non-payment of premiums. At his discharge, his physical condition was reported good, and he was rated temporarily totally disabled. Since his discharge he has taken courses in book-keeping and vocational training. Held: he was not permanently totally disabled within the meaning of the War Risk insurance act and of Regulation No. 11, defining total permanent disability. *U. S. vs. Law*, U. S. Circuit Court of Appeals. 9th Cir. Decided May 12.

Definite Action Necessary During Contestable Period—"The knowledge that false representations have been

made must be ascertained within the two years, and, in the same time, the company, by some act, must rescind, cancel, or notify the insured or the beneficiary that it will no longer be bound by the policy," declares the Pennsylvania supreme court in a case where the holder of a policy incontestable after two years died within the contestable period, but the company did not deny liability until proofs were made and suit filed, after the expiration of such period. "The incontestable clause," said the court, "is for the benefit of the company, in that it induces people to insure in the company, and requires no act of the insured to put it in motion or aid in discovery of facts on which it may fasten to the insurer's benefit. Therefore insured's death within the time does not stop investigation or relieve of the duty to investigate false representations or other fraudulent circumstances on which the policy is based." *Feirman vs. Eureka Life*, 124 Atl. 171.

Company Liable Though Policy Not Delivered

"When a company has received the first premium, and it is to apply from the date of the application, fair dealing requires that the company act upon the application, within a reasonable time. Otherwise it would be permitted to hold the applicant's money, with no return, for such time as it saw fit; a condition which cannot be supposed to have been intended by the parties," declares the Colorado supreme court in *De Forest vs. New York Life*, 224 Pac. 1049. L. D. Hale De Forest applied for a policy on Dec. 11, 1918, paying a semi-annual premium. The application was approved at the home office Dec. 21. On Dec. 23 the applicant became sick and on Dec. 26 he died. For some reason the policy was not mailed to the branch office until Dec. 30 or Dec. 31, and, of course, was not "delivered to and received by the applicant during his life time and in good health." The lower court held for the company on demurrer, but was reversed by the supreme court.

Whether such delay was reasonable is for a jury to determine. It cannot be said that the company could not, with prompt action, have put the policy in the hands of the applicant within the 12 days between the date of the application and the beginning of his illness, and hence the complaint stated a cause of action, which should have gone to a jury, the supreme court declared. The plaintiff charged the company with a breach of duty in failing to act promptly on the application, as well as in the delivery of the policy.

Right of Company Under Application to Refuse to Accept First Premium—An application made by the husband of the plaintiff contained the following provision:

"It is further agreed that the company shall incur no liability under this application until it has been received, approved and the policy issued and delivered, and the full first premium stipulated in the policy has actually been paid to and accepted by the company during the life time of the life proposed."

The application was made Nov. 6, 1918, the applicant paying \$5 to the agent and agreeing to pay the balance Dec. 1. Within 10 days the policy was issued and forwarded to the agent at Salt Lake City. The applicant was notified and said he would pay on Dec. 1, but did not. On Dec. 2 he was ordered to bed with an attack of "flu." On Dec. 4 his brother offered to pay the balance of the premium, which was declined by the company's superintendent. On Dec. 8 the applicant died.

In holding that the policy was not in

FIELD FOR OLDER MEN

MUCH DEMAND FOR INSURANCE

Agents Are Suggesting Formation of Trust Fund—Want Quick Assets for Death Contingencies

It is noticeable that at this time there are more men far advanced in years who are taking out insurance. It has been unusual to run across cases of men 60 years of age or over who are still interested in life insurance. Today, however, more and more men of this age are interested in taking on additional insurance. Many of them find it necessary to provide ample cash funds to meet state and inheritance taxes and other death demands. Many have found many examples where the family and the estate have been embarrassed because there was not sufficient cash at hand to meet the contingencies as they arose. Life insurance undoubtedly furnishes the most satisfactory medium to provide a fund for the various demands made upon the family and the estate of a deceased person.

Put Up Trust Fund

Many older men are being interested in putting up money in trust and thus creating a fund for some particular purpose. It is frequently the case that life insurance becomes part of this fund, the proceeds from the securities held in trust being used to pay a part or all of the premium. Trust companies are making a feature of this. It appeals to many men of wealth, because in this way they expect to divide their income and get rid of the heavy surtax. Some life insurance agents are specializing on the formation of trusts and have become quite experts in working along this line. They operate in conjunction with some trust company. The trust company and an attorney are asked to work out a trust agreement that will hold water. A large amount of life insurance is being written through this medium. Men who are called upon to pay heavy income tax find that if they can make a distribution of their estates through the medium of a trust they will be able through the trust to cut down the amount of their income tax.

Lose Premium Tax Case

ATLANTA, GA., June 3.—A decision against the New York Life in a tax case has been rendered by the Georgia supreme court. The New York Life was asking for a review of a decision of the court of appeals against Controller General Wright. The New York Life claimed that a clause in the general tax act, which levies a tax on all insurance premiums collected in the state was unconstitutional, because it applied the tax to that portion of the premiums which is returned to the policy holders in the form of annual dividends. The court of appeals took the position that the clause was constitutional, and the New York life next sought a hearing before the supreme court.

force and the company was not liable, the Utah supreme court said: "We are forced to the conclusion that the provision in the application was inserted by defendant for its protection against contingencies arising subsequent to its approval of the application, and that the provision should be given effect according to its plain intent and obvious meaning."—*White vs. Metropolitan Life*, 224 Pac. 1106.

License to operate in Oklahoma was granted by the Oklahoma Fraternal Insurance Board to the American Mutual Benefit Association of Houston, Tex. This company writes business among negroes only. License was also granted to the American Workmen of Washington, D. C.

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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More Work, More Enthusiasm, More Business

There is nothing to be gained, ever, from dodging facts. Life insurance men might as well face the situation and decide what is the best way to overcome the difficulties which are now in the way of good production in 1924. There can be no doubt whatever that there is a slump in new business account. Perhaps the chief reason for this is the uncertainty of business men regarding the future, coupled with the political situation. Congress has failed to gain confidence and while the tax situation is now cleared up and it is known what may be expected in this line, the state of affairs at Washington is such that uncertainty, lack of confidence in our legislators and a feeling that the political future of this country is one which no man can foretell, all these are contributing factors.

But life insurance men who realize all

this have the remedy for it all, as far as their business is concerned, in their own hands. Redoubled efforts should be their business slogan. If five men have been seen in one day for new business, let ten men be the present quota. Let more and more care be given to the presentation of life insurance in its position of a stabilizer of business, a rock that has, always, withstood the worst of storms. Business insurance, insurance for the protection of the home and those in it, endowments for old age, all these are the things that should have, just now especially, an especial force and application to the needs of the public. Life insurance men should always be apostles of better business and, no matter what they may think or know about poor business conditions, they should never be in the class of calamity howlers.

Agents on a Higher Level

LIFE insurance salesmanship during recent years has been given the most careful attention until it has been reduced to an exact science. At one time it was not uncommon to send a man out with a rate book within a few hours after he had signed a contract, before he knew anything at all about life insurance. He was left to struggle through as best he could, and the result was a terrifically high mortality rate among life insurance agents.

Today there are very few sales managers who would think of sending a man out on a cold canvass to make his first attempt alone. In most cases he is required to go through a definite course of instruction, and even then he is sent out with an experienced agent. Many companies require him to attend the company school, and frequently the general agent suggests that he take a training course at some college where life insurance salesmanship is taught.

Specializing in Groups

MANY an insurance specialist has achieved success by devoting all of his time to one line or one phase of insurance. Undoubtedly specialization will go a long way towards success, but there is another application of specialization which is frequently overlooked. The general solicitor can become a specialist by grouping his prospects according to their needs, and soliciting them by classes. For a particular series of interviews he will become a specialist, concentrating upon his one

line as thoroughly as a specialist who devotes all of his time to it. He can devote a number of days, or if necessary weeks, to one particular line and achieve the success that comes from such concentration, and then give his entire attention to another line which fits the needs of another group of prospects. By following this plan the general solicitor can combine all the advantages of the specialist with the advantages experienced by the general solicitor.

PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Thomas Rockefeller Weddell of Chicago, editor of the "Insurance Post," and Chicago resident associate editor of the "Insurance Field," this week is rounding out 25 years of service in the insurance newspaper work. Mr. Weddell prior to taking up trade journalism was in the daily newspaper field in Chicago, and at one time was publisher of a daily paper in Peoria, Ill. He started his insurance newspaper career as insurance editor of the Chicago "Inter-Ocean." Later he became insurance editor of the Chicago "Tribune" and then of the Chicago "Record Herald." He became identified with the regular trade insurance press by writing for the "Insurance Post" and later became part owner of the publication. There is no man in the west who has done more faithful reporting or been more intelligent in news discrimination than T. Rockefeller. He has the genius for getting news and for presenting it in convincing style. He is as youthful and enthusiastic now as he was 25 years ago.

B. Fred Reinmund, of Mowrey & Reinmund, New York City Metropolitan managers of the Aetna Life, and prior thereto for many years general agents for the company at Newark, N. J., died suddenly at his home in Englewood, N. J. last Friday. He was a son of former Insurance Commissioner Reinmund of Ohio, and prior to going with the Aetna Life, was agency superintendent for the old Brooklyn Life. Funeral services at his late home on Sunday was largely attended. President Brainard and other company officials being present from Hartford.

By an election freak, Senator George Wharton Pepper, general counsel of the Penn Mutual Life and honorary member of the Philadelphia Association of Life Underwriters, last week became candidate for Congress in the fourth district of Philadelphia on the Prohibition ticket. Mr. Pepper had two competitors for this unexpected nomination. Each of the three men received one vote. Under the law, the secretary of the commonwealth had to draw lots to decide who won the nomination and Mr. Pepper's name came out first.

Among the life insurance men who are active in serving during the Shrine convention in Kansas City this week are two Central Life of Iowa men. Charles H. Christie, general agent at Kansas City, is chairman of the registration committee, and John P. Stake, superintendent of the southern division, is his first assistant. They had a corps of 75 men and girls handling the registration of scores of thousands of Shriners.

A. J. Campbell, manager of the Central Branch office of the New York Life in Chicago, is now located in his new and sumptuous quarters in the New York Life building, having moved up one floor and occupied larger and finer space. R. E. Whitney, inspector of agencies, who will open a new branch office in Mr. Campbell's old quarters, is now rearranging that space and will occupy it shortly. Mr. Campbell reports that business is still booming in his office, the May total being \$2,468,260, a gain of \$622,260 over the 1923 figure of \$1,846,000.

Edwin R. Rinker, agent of the Massachusetts Mutual Life at Seattle, Wash., who reports to General Agent Arthur H. Challis at that point, figured in a most unusual episode the other day showing the splendid spirit of modern insurance salesmanship which leads an agent to put service first and self second. Mr. Challis tells the story:

"Mr. Rinker, who has been with us since last November, called not long ago upon a local contractor whose name he had seen in the Seattle papers in connection with a mortgage, and on

a cold canvass succeeded in getting him interested in insurance to cover the obligation. The prospect told him, however, that he had a very good friend in the insurance business with one of the other companies, with whom he had lunch very frequently, and that he felt morally obligated to take a policy with him rather than with any other company. Mr. Rinker then encouraged him to take the insurance at once with the other company and sold him so completely the idea that he called up his friend the same afternoon and closed with him for a \$25,000 policy.

"The way in which the transaction was handled so impressed both the prospect and our competitor that the latter presented Mr. Rinker shortly afterward with a handsome gold watch, upon which the following was engraved: 'For Exemplary Conduct in Competition.'"

Albert Laib, general agent for the Standard Life of St. Louis in Chicago, is recovering in a Chicago hospital from two recent serious operations. He hopes to be back on the job within 30 days.

President Isaac Miller Hamilton of the Federal Life of Chicago, who has been on a trip through Oklahoma and Texas, has now gone to the Pacific Coast. The Federal Life is operating in California. President Hamilton will take a trip to Europe this summer some time after his return to Chicago.

Glen Hudson of the W. G. Hunter agency of the Kansas City Life at Salt Lake City wrote over \$1,000,000 of business between November and April. The plan he systematically followed was to advise a monthly income policy to protect the assured's earning capacity into the future and a small lump sum policy to pay off the indebtedness incurred at death. Mr. Hudson has been producing a very high quality of business, as over 90 percent of his premiums are paid in cash on delivery.

Dan O'Neill, general agent for the Lincoln National Life at Fargo, N. D., is spending spare moments snatched from the life insurance game, ardently studying the gentle art of "toreadorship," having acquired a prize bull by radio. Mr. O'Neill is a great radio enthusiast and an ardent competitor for all the varied and sundry prizes that are offered from time to time by broadcasting stations. So the most natural thing for him was the sending of a message that put him into competition for "the party of the first part" in a bull fight being given away by a Chicago station several evenings ago.

M. A. Carroll, associate general agent for the Northwestern Mutual Life at Oshkosh, Wis., headed an invading team of Oshkosh golfers who went to Milwaukee this week to meet the Milwaukee golf club octette. Incidentally, the Milwaukee team was captained by Mr. Carroll's brother, Roy E. Carroll, who is a clerk at the home office of Northwestern Mutual Life. Accordingly, the contest has almost developed into an inter-city insurance meet with brothers captaining the rival teams. The Oshkosh Carroll is one of the finest golfers in the state and was runner-up in the Palm Beach tournament last winter. His brother is one of the best golfers in Milwaukee.

John Atwell, manager sales promotion department Jefferson Standard Life at Greensboro, N. C., who had a successful operation for appendicitis some weeks ago, is out of the hospital and back to work. On his return to his office President Julien Price came in and spoke to some of those there, not noticing Mr. Atwell. When John finally spoke to him, Mr. Price looked at him

with amazement and said, "Why, John, I am awfully glad to see you back but, do you know, I didn't recognize you without your appendix."

John G. Walker, president of the Life Insurance Company of Virginia, is planning to leave the latter part of this month on his annual trip abroad. He will be accompanied by his sister, Miss Annie Rose Walker, and will be gone for several months. W. L. T. Rogerson, vice-president of the company, has just returned from a trip aboard. He was accompanied on the tour by Mrs. Rogerson, who remained overseas with their daughter, Mrs. Walton W. Cox, whose husband is military attache at the American embassy at Rome. Mrs. Rogerson will return home later in the summer.

W. C. Schuppel, assistant manager of the Oregon Life of Portland, Ore., has been called to Springfield, Ill., on account of the illness of his father. Mr. Schuppel started in the life insurance business with the Franklin Life of Springfield.

Edgar C. Fowler, general agent for the New England Mutual in Chicago, has been placed in charge of the June drive for business among the agencies of his company. For many years this month has been "Old Policyholders' Month" with the New England. Mr. Fowler was practically in charge of the April drive last month in honor of President Appel, which resulted in a larger month by \$4,000,000 than ever before in the history of the company. Clarence Anderson, general agent at Des Moines, president of the general agents association, passed the real responsibility for the April drive to Mr. Fowler.

Edward Augustus Holyoke, special agent in Omaha for the Franklin Life, died of heart disease at his Omaha home last week at the age of 66. Mr. Holyoke was the fifth in the family chain of Edward Augustus Holyoke, the first being the tenth president of Harvard.

President **Frank P. Manly** of the Indianapolis Life has discovered the secret of perpetual youth. For several years past, on his birthday, May 28, he has given a party for the entire home office force of the company and a few friends at his beautiful country home, River-By, north of Indianapolis on White river, and it is now observed by those who have been so fortunate as to attend these events that, though there may be an added year, there is no perceptible addition to his age. On Wednesday of last week he again resorted to the magic charm of hospitality and thereby evaded for another year the aging touch of time.

Baseball, golf, horeshoes and target practice occupied the afternoon. Ed Raub, vice-president of the company, by exceptional shooting proving himself to be the best marksman of the party. The big event of these occasions, however, is the beefsteak dinner on the river bank, to which Mr. Manly always gives active personal supervision, looking after the broiling of the steaks over a bed of coals that has been expertly prepared and passing them on to Mrs. Manly and her helpers, who serve them to a most appreciative line of hungry picnickers.

This annual event has served as much as any other one thing to develop the splendid spirit of friendly cooperation which is a marked characteristic of the Indianapolis Life home office force.

J. B. Stader

J. B. Stader has been appointed manager for Kansas and western Missouri for the American National, with offices in Kansas City. Mr. Stader has had considerable experience as general agent for another company and his future success is indicated by the fact that he has always stood among the leaders of the company.



**Exceptional Agency
Opportunities
NOW
in**

**Prescott, Arizona
New Brunswick, N. J.
Riverside, Cal.
Pueblo, Colorado
Springfield, Ill.
Bedford, Indiana
Marshalltown, Iowa
Port Huron, Mich.
Joplin, Missouri
Santa Fe, New Mexico
Durham, N. C.
Mansfield, Ohio
Uniontown, Pa.
Knoxville, Tenn.
Vancouver, Wash.
Madison, Wis.**

Time Is Power

The Telautograph tells a time story for The Lincoln National Life Insurance Company.

It is almost uncanny the way the Telautograph works. It is an electrically controlled device that instantaneously duplicates a written message by displaying on all the instruments of the series a written facsimile of the words penciled on the sending machine.

The Telautograph system is used for brief communications between the service departments located on each of the four floors of The Lincoln National Life Home Office Building.

This is only one of the mechanical instruments employed to bring the several departments of The Lincoln National Life together—to aid them in working as a unit. No time is lost in carrying on their interrelations.

It is this speed in all its service operations that places the Lincoln National Life "just across the street" from the fieldmen who

LINK UP WITH THE LINCOLN

The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building

Fort Wayne, Ind.

Now More Than \$300,000,000 In Force

LIFE AGENCY CHANGES

WILL SUPERVISE CHICAGO WEST COAST APPOINTMENTS

H. C. Springston Takes Over Field for Standard of St. Louis—Two State Managers Named

The Standard Life of St. Louis has named Henry C. Springston, formerly a member of the firm of Gore, Fitzmaurice & Springston, manager of the Chicago agencies. He will devote all of his time to the work, and will have charge of the Chicago territory agencies. He assumes his new duties on June 1 and brings to the Standard Life an organization composed of 20 full-time men.

John T. Harley, formerly with the Farmers & Bankers, has been made Indiana state manager for the Standard Life, with headquarters in Indianapolis. William Walton has been appointed Colorado state manager for the Standard Life. For ten years he was with the Northwestern Mutual Life but more recently was with the Michigan Mutual in Indiana.

E. H. Caperton

E. H. Caperton, who has made a splendid record for the Indianapolis Life at the home office branch for personal production, having led the entire field last year, has been appointed general agent of the company at Cleveland and assumed that position June 1. Before taking up life insurance a few years ago Mr. Caperton was a commercial traveler and made Cleveland his headquarters for a part of the time. He therefore has a good acquaintance already which will help him to become established in his new connection. He is a brother of Joe Caperton, superintendent of agencies of the company at the home office.

Some Promotions Made in Important Territory—W. A. Walker at Tacoma Transferred to Salt Lake

The West Coast Life announces some appointments. O. W. Borg is appointed district manager at Tacoma. W. A. Walker, formerly district manager at Tacoma is transferred to Salt Lake City as agency organizer. Herman Merton, formerly agency organizer in Northern Idaho, has transferred to Salt Lake City as district manager. Fred S. Stripp has resigned as agency director, central California. J. W. Stewart, superintendent of agencies in the northern department, is given additional territory covering Utah, Idaho and Wyoming.

Leon A. Pierce, one of the company's most successful personal producers, has been placed in charge of the Mission district office which the company is opening at 23rd and Mission streets, San Francisco. Thomas Fennell, another of the company's leading producers, will be given charge of the office to be established at Fillmore and Geary streets and will have Agent Jack Seaman associated with him.

T. J. McMinimee

Thomas J. McMinimee has been appointed general agent of the Prairie Life of Omaha for southeastern Iowa, with headquarters at Shenandoah, Ia.

North American Appointments

The North American Life of Chicago has recently extended its field of agency operations and has entered North Carolina. Connecticut and Idaho. Robert C. Cotter is state agent North Carolina

with headquarters at Elizabeth City, N. C. J. A. H. Robinson is state agent for Connecticut with headquarters at Bridgeport, Conn. W. W. Philbrick of Spokane, Wash., will organize Idaho.

Charles Freed and H. D. Galloway

The Liberty Life of Topeka, Kan., has entered Texas. Dallas is state headquarters for the company and Charles Freed is state agent. Mr. Freed is now pushing the organization in the state. H. D. Galloway, formerly with the Federal Life in Oklahoma and Texas, is district agent working out of Dallas.

G. W. Harding and W. M. Stewart

George W. Harding, formerly associated with J. Gil Smith as manager of the Equitable Life of Iowa at Davenport, Ia., has joined with William McLean Stewart to conduct an eastern Iowa-western Illinois district office for the Union Central Life. They will be at 307 Kahl building, Davenport.

C. H. Bunch

C. H. Bunch has been appointed supervisor for Oklahoma for the American National. While only 28 years old, he has established a record that has earned for him this responsible position.

Bankers Reserve Appointments

J. P. Hyland has been made Cleveland manager of the Bankers Reserve Life of Omaha.

R. A. Young has been appointed manager at Lexington, Ky., for the Bankers Reserve.

Daniel E. Beasley

Daniel E. Beasley announces his connection with the Independent Life of Nashville, Tenn., as district agency manager, ordinary life department, with headquarters at Paris, Tenn. Mr. Beasley's territory includes the counties of

Henry, Stewart, Houston, Benton, Carroll and Weakley.

Mr. Beasley is a native of Benton county, a graduate of the College of Agriculture, University of Tennessee, and served for a time as county agent of Henry county, from which position he resigned on account of illness. He later engaged in commercial pursuits at Paris, but resigned that employment to accept his present position. His many friends will rejoice with him in his new vocation.

A. J. Mellon

The Independent Life of Nashville, Tenn., announces the appointment of A. J. Mellon as special agent, ordinary life department, at Anniston, Ala.

Mr. Mellon is a product of Clay county, and is a well experienced and successful life insurance man. He is a young man, being on the sunny side of 30. Being well connected and highly esteemed through his section of Alabama, Mr. Mellon is assured of the hearty good will of all his friends and acquaintances in his present connection. His father for many years was clerk of the court of Clay county.

D. R. French

D. R. French has been named agency supervisor for the Oregon Life in eastern Oregon and eastern Washington. Mr. French has been a member of the staff of the Oregon Life at Portland for a considerable period.

W. A. Webb

W. A. Webb, formerly superintendent of agencies of the Security Life, is now manager for the Travelers Life of Canada at Hamilton. He has charge of Hamilton, Dundas, St. Catharines, Brantford and Niagara Falls. Mr. Webb is a capable life insurance man, with 16 years' experience. He has spent ten years with the Metropolitan Life and for four years was manager for that

MANAGERS OF BRANCH OFFICES

H. S. WOODWARD
Hobson, Montana

F. L. TUCKER
1957 West University Ave.
Transfer Bank Bldg., St. Paul, Minnesota

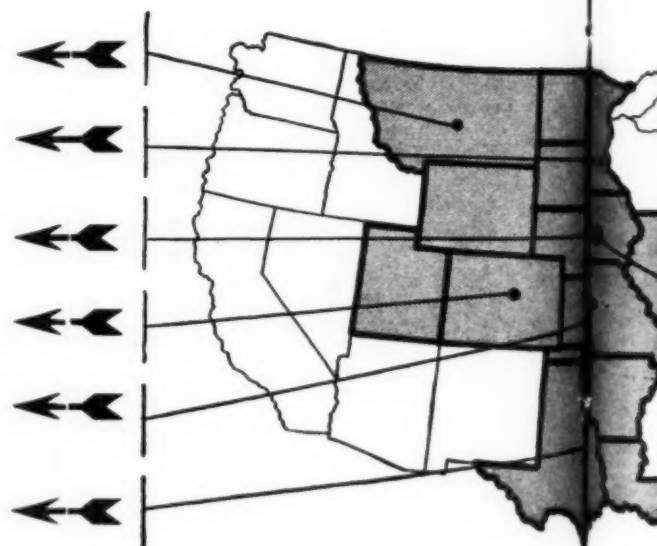
F. B. ALLDREDGE
213 City National Bank Building
Omaha, Nebraska

V. O. LAUNE
501 Colorado Building
Denver, Colorado

A. P. OSBORN
Kansas & Missouri Division
801 Orear-Leslie Bldg., Kansas City, Missouri

R. F. LEE
2102 Magnolia Building
Dallas, Texas

Paid to Policyholders—Over \$16,000,000.00
Insurance in Force—Over \$112,000,000.00



company at Welland-Niagara Falls District.

J. Harry Holtman

J. Harry Holtman, who has been manager for Indiana of a western company for some time, has accepted a position as home office representative for the Reserve Loan Life Insurance Company of Indianapolis, Indiana, according to a statement by Guilford A. Deitch, general manager and general counsel for the company. Mr. Holtman's duties will be those of an expert advisor on life insurance.

Travelers Baltimore Changes

F. Nelson Bond, Baltimore manager of the life, accident and group departments of the Travelers, has resigned to become associated with Jerome Apple under the firm name of Apple & Bond to represent the company as general agents, life department, for Baltimore. He will be succeeded by D. E. Ruggles, manager life, accident and group departments at Cincinnati. Earl S. Huntley, assistant manager at Cincinnati, has been promoted to manager to succeed Mr. Ruggles.

Stanley Cottle

Stanley Cottle of Moose Jaw, Sask., has been appointed agency manager in Winnipeg of the Northern Life of Canada. Mr. Cottle, who has been with the Northern Life for the past four years, went to Canada 12 years ago from England, where he held an executive position in the British Admiralty. He will be assisted in his duties by Ira Stratton as agency manager.

Life Agency Notes

The office of John W. Carey, general agent of the Pacific Mutual Life of Montana and northern Idaho and district supervisor for eastern Washington, has been moved from Missoula, Mont., to Spokane, Wash., because the latter city is more conveniently located for the work.

EASTERN STATES ACTIVITIES

UPHOLD PART-TIME AGENTS

Two Officials of Columbus Life Companies Give Views as to Their Employment

COLUMBUS, O., June 3.—The employment of part time insurance agents is upheld by two prominent Ohio insurance men, who were interviewed on the subject. One, the president of a widely known life company, said:

"Part-time agents will always be employed by all life insurance companies. All companies have and always will have part-time men. More than half of the full-time men are secured from part-time men. As a matter of fact, there is no such thing as a full-time agent except in the sense that no other means is employed to earn a livelihood. Even the eight-hour agent is almost an unknown quantity. The integrity of purpose and the quality and quantity of insurance is the thing to be considered, not the time consumed in securing it. No one believes in the one-case man, but I for one will not close the door of opportunity to the man who desires to test his ability to write life insurance in his spare hours before finally quitting his regular employment. I often advise this course, especially if the prospective agent holds a salaried position. Furthermore, I see no reason why a fire insurance agent should not sell life insurance, or a real estate agent or a preacher or a lawyer. I know of no other profession or business in which it is insisted that full time be devoted and I know of no reason why life insurance should be the exception."

J. A. Hawkins, manager of agencies of the Midland Mutual Life, said:

"There is no legal, ethical or practical reason why a man should not in good

faith devote a portion of his time to the solicitation of life insurance and thereby supplement his income from other sources. If part-time agents are entirely tabooed, people living in smaller communities would not have an opportunity to secure life insurance through local representatives, because the business would probably not justify the solicitor in giving all of his time to it. Part-time agents frequently develop into the best of full-time agents. While it is greatly to the interest of the younger companies that part-time agents should be favored, yet from the standpoint of all who may contemplate becoming full-time agents, as well as of all companies and their policyholders, part-time agents should be encouraged.

"This is, of course, conditioned upon good faith in the appointment of part-time agents, and upon their intention to legitimately devote a part of their time to the solicitation of life insurance. The appointment of agents for particular cases and without these elements should be condemned.

"The encouragement of part-time agents in the solicitation of life insurance is an application of the American principle of free opportunity to all to engage in the calling or business which they find most congenial and profitable."

"Ad" Club Honors Insurance Men

The insurance interests of Hartford are again honored in the elections of the Hartford Advertising Club. Succeeding J. W. Longnecker of the Hartford Fire as president is the announcement of the election of Clarence T. Hubbard of the Aetna Life to that post. A. W. Spalding of the Hartford Fire succeeds Dan Frazier of the Travelers as secretary. Leon Soper of the Phoenix Mutual, past president of the club, continues as a director and member of

the important educational committee. Sydney Holt of the Aetna Life heads the publicity committee and Dan Frazier of the Travelers the membership committee.

Ohio State's Agency Meetings

President John M. Sarver and other officials of the Ohio State Life, have recently attended agency meetings in Newark, Marion and Lima. These were very enthusiastic and President Sarver reports a very encouraging outlook. He has recently added a number of new agents to his force.

MISSISSIPPI VALLEY

TARGET FOR MANY OFFERINGS

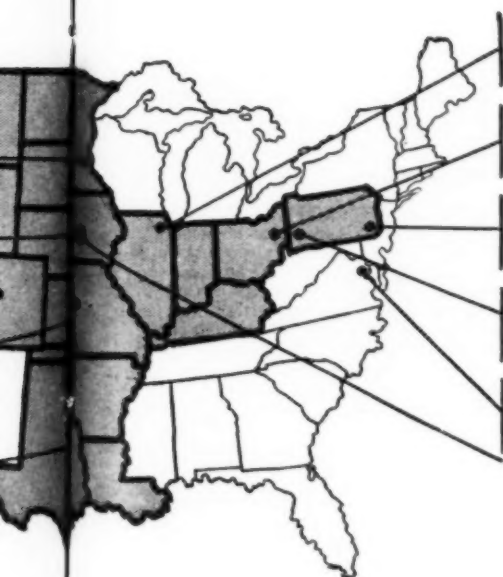
Life Companies That Have Recently Opened Chicago Offices "Tried Out" on Speculative Risks

Life companies that have recently opened offices in Chicago find that they are being made the target for all kinds of offerings. The wiseacres in large cities always try out a tenderfoot on rebated business and other undesirable risks. Some men in Chicago have a list of clients that they pass from company to company each year. This is highly speculative business. The commission is mostly rebated and at the end of the year the policies lapse. A number of risks that have been doctored up are also offered the newcomers. All sorts of arguments are used to get the business written.

Not Good Business

The business may look fairly good on the surface, but the mortality is certain to be severe and the lapse ratio heavy. Some companies anxious to get a foothold overlook the standard rules, take the business and later regret it. Every new company opening an office, be-

OFFICES AND GENERAL AGENTS



WILLARD H. FOSTER

440-442 Transportation Building
Chicago, Illinois

J. W. A. STAUDT

925-936 Renkert Building
Canton, Ohio

R. W. BROOKS

708 Finance Building
Philadelphia, Pennsylvania

THEO. J. SCHAUB

1135 Fulton Building
Pittsburgh, Pennsylvania

CARL FINK

905 Munsey Building
Washington, D. C.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

WM. KOCH, Vice-President

comes a real target for the shrewd broker who has something to put over.

Holds Premiums Not Deductible

No deduction from the taxable net income of a corporation may be made for the life insurance premiums paid for the purpose of insuring the lives of officers of the corporation, according to a ruling of the Wisconsin tax commission.

"This policy was taken on the lives of the officers of the corporation at the direct requirement of the bank from which the corporation was borrowing money," the commission declared in its ruling on a specific question in regard to the matter. "This question has been before the commission on numerous occasions, and it is its opinion that such circumstances do not modify the specific provisions of the statute and the ruling of the commission to the effect that life insurance premiums paid for the purpose of carrying policies on the lives of the officers of a corporation are not deductible as expenses in arriving at a net taxable income. The fact that the federal government permits deductions such as this does not modify the state law or the regulations of the com-

mission thereunder. These premiums are not deductible."

Builders' Mutual Awaits License

The Builders' Mutual Life of Chicago has completed the sale of sufficient stock to deposit with the Illinois insurance department the \$100,000, which is the capital of the company. There is still some stock being sold, but it is marketed at two for one, so that the capital and a portion of the surplus has already been secured. It is now awaiting the issue of its license by the Illinois department.

Mississippi Valley Notes

O. H. Virgin, agency supervisor of the Continental Life of St. Louis, is the proud daddy of a baby boy that arrived last week. The babe and mother are doing very nicely.

Frank McNally, manager of the Minneapolis office of the Massachusetts Mutual, gave the chief address this week at the meeting of the alumni association of state normal school at Superior, Wis.

Fred C. Anderson, for several years a special agent with W. B. Henderson & Co., general agents of the National Life of Vermont at Kansas City, has been appointed manager of the board of public welfare there.

built by E. O. Tenison and occupied as his home until his recent death. All the while it has been one of the outstanding show places of Dallas. Mr. Tenison was until the date of his death chairman of the board of the City National Bank and was the first federal reserve agent of the Federal Reserve Bank located at Dallas. Only a few months before his death he gave to the city one of its largest and most beautiful public parks.

The home was built 15 years ago, of the very best material. It is today in A-1 condition in every respect, and is large enough to take care of the rapidly increasing office force of the company for years to come. The reproduction cost of the improvements on present price basis would run above \$200,000, but on account of Mr. Tenison's death the property has been purchased on a basis that makes it a handsome investment for the company.

It will be recalled that the American Life was organized five years ago and has had a rapid growth. Its present insurance in force is well above \$45,000,000 and new business is coming in at the rate of more than \$2,000,000 a month. President A. C. Bigger states that the telegraph companies will install direct wires into the new home office and that the reinsurance service will therefore be kept up to its present standard. The company will move into its new quarters soon after July 1.

Standard Life Texas Meeting

President J. R. Paisley of the Standard Life of St. Louis and James F. Egan, superintendent of agencies, attended a state convention of the company's Texas agents at Fort Worth, Tex., May 30. The gathering was arranged by H. A. Witliff, state manager for Texas. Mr. Witliff, although on the job but a very short time, has whipped together a live-wire organization in the Lone Star state and has brought it to the point where it is expected to produce at the rate of \$1,500,000 per month.

Follow World Flyers in Contest

A novel plan of stimulating the sale of life insurance has been originated by Wilson Williams, general agent of the New England Mutual Life at New Orleans. Using a globe with the route of the United States flyers in their trip around the world, Mr. Williams has arranged a competition between two office teams, whereby each new policy means a gain of a lap in the contest. The teams are represented by different colored airplanes.

Alamo Life Starts July 1

Organization of the Alamo Life of San Antonio, Tex., is about completed. The company expects to begin writing business July 1. Announcement is made that 68 San Antonio business men have taken the greater part of the stock, which is \$250,000, and that the remainder will be easily disposed of. It is understood Kenneth Weiner will be president of the company. Merlin Oates, for years in life insurance work as an actuary, will be secretary and actuary of the new company, it is said.

Complaint Against Oklahoma Agent

A complaint has been filed before the Oklahoma State Insurance Board against James R. Owen, agent for the Missouri State Life at Tulsa, Okla. The complaint was made by J. B. Taylor, backed by the life underwriters association, according to Commissioner Reed. It alleges that Owen wrote a \$100,000 policy for his brother and has not written any other business; that he is not a life insurance agent and obtained the license to write this policy. In this it is alleged that he has violated the spirit of the law. A hearing has been set for June 9 in Tulsa.

Licenses Revoked; Rebating Charged

Licenses of C. R. Styron, general agent at Lynchburg, Va., for the Bankers Life of Des Moines, and of William

E. Lankford, an agent for the company in the same city, were revoked this week by Commissioner Button. Both were charged with violating provisions of the anti-rebating laws. It was alleged that in writing policies they would take notes and then agree to allow a certain percentage off if the insured would furnish names of prospects, the percentage of reduction to be based on the amount of business the list of prospects developed. The case was brought to the attention of Commissioner Button by competing agents.

End Oklahoma Sales School

"You will never attain anything worth while without paying the price," said Dr. George B. Van Arsdall, field school director of the Equitable Life of New York, in his farewell address before a class in life insurance salesmanship, which he has been conducting at Oklahoma City. The address was given at a banquet with which the event closed Friday night. "If a thing is not worth giving something of value in exchange it is not worth possessing," he added. "The price you pay for your business is your time and in order to realize on it you must make every minute count." After the banquet 36 diplomas were presented.

The school sessions were held each morning and students solicited business in the afternoon, resulting in M. L. Williams of Enid writing one policy for \$235,000 in one day. Josephine B. Lincoln of Oklahoma City led the women in volume during the three weeks, with \$22,750 to her credit.

Southern Notes

A group insurance policy providing protection for 350 employees has been taken up by the New Orleans Belt Railroad. This involves an insurance of about \$450,000. The Metropolitan handled the business.

Brumley B. Heinrich, assistant cashier in the Richmond, Va., agency of the Mutual Life of New York for several years, has been promoted to a similar position at Baltimore. He is succeeded at Richmond by Charles F. Jenness, hitherto a bookkeeper in the Richmond office.

PACIFIC COAST

COLLINS' SUCCESSOR NAMED

Elmer S. Nelson Appointed Superintendent of Field Service by the Pacific Mutual Life

The appointment is announced by the Pacific Mutual Life of Elmer S. Nelson as superintendent of field service and assistant editor of the "Pacific Mutual News," to succeed James L. Collins, who recently resigned to become vice-president of the New World Life at Spokane, Wash. Mr. Nelson has been a member of the staff of the University of California, southern branch, as professor of economics, which position he resigned to accept his present appointment. In his work at the university he has been giving instruction in foreign trade, banking, transportation, insurance and the principles of economics.

President George I. Cochran and about 40 other members of the home office staff of officers and heads of departments of the Pacific Mutual attended a farewell dinner in honor of Mr. Collins at Los Angeles last week. Mr. Cochran presided and brief talks were made by a number of those present, all expressing the high degree of personal friendship and esteem in which Mr. Collins is held by those with whom he has been associated for so many years.

A feature of the event was the presentation to Mr. Collins of a handsome gold watch and chain, together with an engrossed resolution expressing a high tribute of sincere regard and appreciation. The presentation address was made by C. I. D. Moore, vice-president, with whom Mr. Collins has been closely associated during the past five years.

Mr. Collins left Los Angeles June 1

IN THE SOUTH AND SOUTHWEST

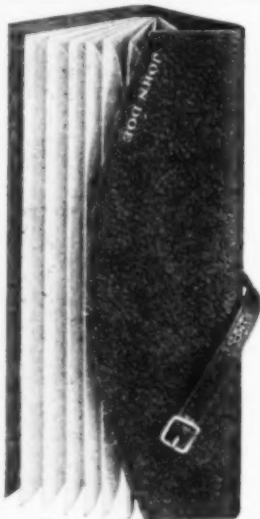
ACQUIRES NEW HOME OFFICE

American Life Reinsurance of Dallas Purchases a Residence Which Will Hereafter Be Its Headquarters

The American Life Reinsurance of Dallas, Tex., has purchased for its permanent home office the E. O. Tenison home on Cedar Springs and Turtle Creek boulevards. These thoroughfares lead to Highland Park, Dallas Country Club and Southern Methodist University, the most exclusive residence sec-

tions. The house is only ten minutes by automobile or street car from the business center of Dallas. Turtle Creek boulevard is the principal pleasure drive of Dallas, being the keystone of the elaborate boulevard system planned several years ago for Dallas. The boulevard runs along the side of Turtle Creek, a picturesque little stream with large trees growing along its banks, in many places the banks themselves being walls of solid rock several feet high.

The property fronts 350 feet on Turtle Creek boulevard and extends back 250 feet on Cedar Springs. This place was



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Room 965
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I would like to examine a Systeman Security Holder. If I decide to keep it I will remit \$2.25 within ten days. If not, I will return the holder.

Name
Address

for Spokane to begin his new duties as vice-president and superintendent of agencies of the New World Life.

Becomes People's Mutual Life

The Railroad Men's Mutual Life, which has been organizing in San Fran-

cisco for several months past, has changed its name to People's Mutual Life. This indicates that the company will not confine its operations to railway men only, as was first contemplated.

IN THE ACCIDENT AND HEALTH FIELD

GIVE TRAVELERS STATISTICS

Some Interesting Features in Connection With the Accident Experience Covering Last Year

The Travelers in assembling its accident statistics for last year shows that it paid policyholders under accident policies, \$3,390,808. There were 28,087 policyholders involved. Here are some classifications of accidents last year that are of interest:

	No.	Amount
Automobiles	5,378	\$905,235
At home	4,716	\$95,179
Pedestrians	2,883	\$405,862
Sports and Recreation	3,809	\$473,203
Travel	778	\$154,193
Horse and vehicles	256	\$35,043
Miscellaneous	245	\$23,798
Bicycles and Motorcycles	158	\$16,373
Elevators — Escalators	31	\$6,629
Occupational	9,833	\$776,290
Total	28,087	\$3,390,808

1923 Home Accidents Classified

	No.	Amount
Burned in burning house	23	\$ 13,352
Scalded and burned while cooking, cleaning, etc.	161	9,606
Burned while lighting cigar, etc.	82	4,199
Injured while working around barns, shed, gardens, etc.	295	22,685
Falls on stairs	338	62,802
Cutting corns, toe nails, finger nails	93	5,788
Shaving	143	14,446
Slipped in bath tub	82	9,727
Slipped on rugs, floors, etc.	161	25,721
Falls from chairs, tables, etc.	72	10,195
Ran into furniture, doors, etc.	266	18,901
Cut on bottles, sharp instruments, etc.	500	22,989
Slips on lawn, steps, porch, etc.	617	67,338
Falls from ladders, trees, windows	221	75,888
Foreign particles in eye	116	15,714
Hit by falling objects	203	11,466
Getting in and out of bed	39	2,982
Poisoned or infected — insect bites	270	33,304
Finger caught in door, window, etc.	84	4,998
Stepped on broken glass, sharp instrument, etc.	176	7,192
Carving	29	1,414
Pet animal bites, etc.	53	2,077
Carrying children — finger in eye, etc.	35	3,476
Lifting and moving articles	212	20,121
Miscellaneous	163	112,902
Hand tools — axes	282	13,882
Total	4,716	\$595,179

General Accidents—1923

	No.	Amount
Sports and recreation	3,809	\$473,203
Bicycles	58	6,102
Motorcycles	100	10,270
Elevators — Escalators	31	\$6,629
Miscellaneous	245	\$23,798
Occupational	9,833	\$776,290
Total	14,076	\$1,295,294

Accidents to Pedestrians—1923

	No.	Amount
Struck by auto	349	\$101,957
Struck by team	5	1,773
Struck by bicycle or motorcycle	20	1,661
Struck by train or street car	24	18,864
Struck by falling object	37	3,528
Bitten by dog	32	1,318
Slipped on ice or wet pavement	886	98,643
Accidents in public buildings	280	59,935
Foreign particle in eye	180	5,351
Falls caused by uneven ground and curbing	725	77,602
Stepping on nail, glass, etc.	39	1,429
Stepped on by horse	5	250
Fell over object on ground	127	10,136

Collisions with another pedestrian	26	1,805
Collisions with inanimate objects	19	4,150
Miscellaneous accidents	129	17,383
Total	2,883	\$405,862

Automobile Accidents—1923

	No.	Amount
Cranking	856	\$ 85,791
Foreign matter in eye	124	5,543
Jolting	113	33,137
Entering or leaving — hand caught in door	927	77,361
Skidding, ditching, or overturning	679	234,595
Operating	68	4,058
Caretaking or repairing	1,173	71,162
Collisions	1,102	331,535
Around garage	240	43,584
Miscellaneous	98	18,463
Total	5,378	\$905,235

Travel Accidents—1923

	No.	Amount
Railway travel	446	\$ 72,841
Street railway travel	260	50,665
Elevated railway travel	13	1,301
Subway	11	3,170
Steamship	48	26,214
Total	778	\$154,193

Reliance Life Provision

In a recent issue it was stated that the Reliance Life pays total benefits under its accident policy so long as a man is confined to the house and partial benefits when one is not confined. The company states that no accident policy that it has issued has contained a provision requiring house confinement as a condition to the payment of either total or partial accident disability. The partial loss of time indemnity is based on the fact that the disability prevents the assured from attending to one or more of the important daily duties pertaining to his occupation. The partial disability is limited to 26 weeks and the indemnity is 50 percent of the total indemnity.

Give Policies Like Trading Stamps

The Consumers' Protective Insurance Company of Burbank, Cal., has been organized to operate by selling accident policies with a principal amount of \$1,000 to various retail stores which in turn will hand them out like trading stamps. The company will comply with the provisions of the California as regards capital and surplus. A policy will be issued with each \$1 purchase made by the consumer and will cover for 24 hours. The policies will be issued in book form in lots of 100 to a book. These policies will be sold to the merchant at 4 cents a contract.

The men behind the Consumers' Protective are W. S. Furman, H. B. Wolfe and Chester M. Melven of Burbank. The policies will provide that death must occur within 60 days from the time of accident in order to be covered. The backers of the idea say that they intend to operate throughout the entire United States.

Neckerman Made Superintendent

R. J. Neckerman, formerly executive superintendent of the commercial health and accident department of the Continental Casualty, has been appointed superintendent of agents of the non-cancellable disability department and also superintendent of agents of the Continental Assurance. He is assuming these responsibilities in addition to his other duties.

The Continental Assurance has just entered Nebraska, Kansas and Maryland, which brings the total number of states in which it is licensed to 27. Mr. Neckerman is concentrating his attention for the immediate future on the north central states, especially Nebraska, Kansas, North and South Dakota, Iowa, Minnesota, Wisconsin and Michigan. He is contemplating an extensive agency trip in this section of the country very shortly for the purpose of making general agency appointments for life, health

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American National Insurance Company OF GALVESTON, TEXAS

W. L. MOODY, JR.
President

SHEARN MOODY,
Vice-President

W. J. SHAW,
Secretary

FINANCIAL STATEMENT DECEMBER 31, 1923

ASSETS		LIABILITIES	
Real Estate Owned.....	\$ 957,573.54	Net Reserve (American Experience Table, 3 & 3½%)	\$13,692,716.00
Mortgage Loans (First Lien on Real Estate).....	6,101,888.03	Reserves for Death Losses in Process of Adjustment or Adjusted and Unpaid....	100,070.10
Collateral Loans	25,000.00	Reserve for Taxes and Depreciation	133,623.70
Loans to Policyholders (On this Company's Policies)...	1,655,551.80	Miscellaneous Liabilities ...	222,590.84
Bonds	6,128,425.85	Capital Stock	\$1,000,000.00
Cash in Banks	1,489,106.55	Assigned Fund	
Certificates of Deposit (Demand)	2,452.15	and Surplus ..	1,869,171.45
Interest Due and Accrued...	894,499.82	Surplus Security to Policyholders	2,869,171.45
Deferred and Uncollected Premiums (Net)	807,849.80		
Due from Other Companies ..	7,500.00		
Account Re-Ins.			
Unearned Fire Insurance Premiums	745.35		
Total Assets	\$17,070,588.40	Total Liabilities	\$17,070,588.40
increase in Insurance in Force.....			\$33,579,608.00
Increase in Admitted Assets.....			2,773,964.00
Increase in Surplus Security to Policyholders.....			313,347.00
LIFE INSURANCE IN FORCE	\$215,057,404.00	SURPLUS SECURITY to Policyholders	\$17,070,588.40
Operates in 21 States and the Republic of Cuba			
Total Paid Policyholders Since Organization, \$14,328,720.46			

Safety, Service and Stability

ATTRACT PROSPECTS AND INCREASE AGENTS' CLIENTELE

SAFETY—Guaranteed by careful selection of risks and investments.
SERVICE—Provided by an efficient and progressive organization.
STABILITY—Assured by conservative business policies.



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Home Office:
Des Moines

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SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, President

THE ROOKERY, CHICAGO

INSURANCE IN FORCE.....\$47,024,989.00
 ADMITTED ASSETS 5,668,015.25
 SURPLUS PROTECTION TO POLICYHOLDERS..... 430,178.10
 PAID TO POLICYHOLDERS SINCE ORGANIZATION..... 4,403,769.15

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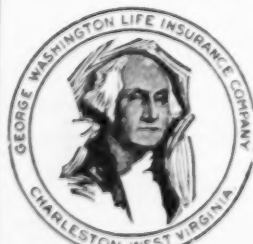
S. W. Goss, Vice-President.

AMERICAN CENTRAL LIFE

Insurance Co.

INDIANAPOLIS
Established 1899

HERBERT M. WOOLLEN
PRESIDENT



HARRISON B. SMITH, President

George Washington Life Insurance Company CHARLESTON, WEST VIRGINIA

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia and Michigan

Address

ERNEST C. MILAIR, Vice-President and Secretary

and accident and non-cancellable disability insurance.

Cover Detroit Street Car Men

Ross Schram, general manager of the Detroit Street Railways, has negotiated a "binder" agreement with the Travelers through Murphy & O'Brien of Detroit, whereby disability and life insurance will be extended to the 3,900 employees of the company, totaling \$5,560,000. According to Mr. Schram this is a substitute plan for a somewhat similar arrangement which had been provided previously over a period of years by the International Union of Street Railway Employees, and as an effort to settle the present wage controversy with employees.

Northwestern Mutual New Policy

The Northwestern Mutual Accident Association of Seattle has just issued a new income disability non-occupational policy. The policy covers for health insurance in full and for accident while away from occupation. The insured is not covered for accidents while performing the duties of any occupation or for any period of time the insured is entitled to indemnity under any state workmen's compensation act. It is limited to \$1,000 principal sum and \$60 monthly accident and sickness indemnity.

Auto Racers Covered

Henry Ford, who served as official referee for the 500-mile race at Indianapolis last Friday, before the race arranged and paid for a \$10,000 policy on each of the 22 drivers who took part in the race. The policies provided for payment of \$10,000 to the family of a driver if killed in the race or if so injured as to cause death within 60 days. Disability due to any accident during the race was to be paid for at the rate of \$50 a week for a period of one year. The coverage lasted only during the races. The rate of premium was not stated. Mr. Ford made it a condition that the drivers should not know of his taking out the insurance for them until after the race, as he felt that the thought of insurance might tend to depress them. It was also understood that additional insurance was taken on relief drivers. The race was remarkably free from mishap, there being no serious accidents and only one or two slight bruises or scratches were received by any of the drivers.

Mutual of Illinois New Policy

The Mutual Life of Illinois has issued a new elimination period policy, wherein the sick benefit is not paid for the first 7, 14, 21 or 28 days, and does not pay surgical benefits or doctor bills for non-disabling accident or illness. Its agents are now specializing on the new form.

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$3.50 and the "Little Gem" published annually in April at \$2.00.

MANHATTAN LIFE'S PREMIUMS

New Schedule Goes on Level Premium Basis and Shows Marked Reductions

The new premium schedule of the Manhattan Life, which was announced last week, places all business on the level premium plan, effective June 1, instead of the reducing premium plan which has been in operation for some time. The new annual premium rates per \$1,000, without double indemnity or disability, are as follows on these principal policy forms:

Age	Ordinary	20-Pay Life	15-Pay Life	20-Year End	15-Year End
15....	\$16.14	\$ 24.30	\$ 29.10	\$46.96	\$ 65.03
16....	16.43	24.66	29.51	47.01	65.08
17....	16.75	25.02	29.95	47.09	65.16
18....	17.10	25.41	30.40	47.17	65.23
19....	17.46	25.82	30.90	47.26	65.32
20....	17.82	26.23	31.38	47.34	65.39
21....	18.21	26.68	31.89	47.44	65.48
22....	18.62	27.12	32.43	47.55	65.57
23....	19.05	27.59	32.98	47.66	65.67
24....	19.51	28.09	33.55	47.78	65.78
25....	19.97	28.59	34.15	47.88	65.87

Age	Ordinary	20-Pay Life	15-Pay Life	20-Year End.	15-Year End.
20	20.48	29.13	34.77	48.02	66.00
21	21.00	29.68	35.41	48.16	66.12
22	21.55	30.26	36.09	48.32	66.26
23	22.13	30.85	36.78	48.48	66.40
24	22.73	31.47	37.50	48.65	66.55
25	23.38	32.13	38.26	48.85	66.71
26	24.05	32.80	39.03	49.06	66.88
27	24.77	33.50	39.86	49.27	67.08
28	25.52	34.24	40.70	49.53	67.28
29	26.33	35.03	41.59	49.80	67.51
30	27.17	35.84	42.50	50.09	67.75
31	28.06	36.68	43.47	50.42	68.02
32	29.02	37.58	44.49	50.78	68.32
33	30.02	38.51	45.52	51.17	68.63
34	31.08	39.50	46.63	51.61	68.99
35	32.22	40.53	47.78	52.09	69.38
36	33.40	41.63	48.98	52.62	69.81
37	34.69	42.79	50.24	53.21	70.28
38	36.05	44.00	51.56	53.87	70.82
39	37.49	45.30	52.95	54.60	71.40
40	39.03	46.66	54.43	55.40	72.06
41	40.67	48.11	55.96	56.30	72.79
42	42.41	49.66	57.59	57.29	73.59
43	44.28	51.31	59.31	58.39	74.49
44	46.27	53.04	61.12	59.59	75.47
45	48.39	54.91	63.02	60.93	76.55
46	50.64	56.88	65.04	62.39	77.74
47	53.05	59.00	67.17	64.01	79.07
48	55.62	61.26	69.42	65.79	80.52
49	58.36	63.67	71.81	67.74	82.12
50	61.28	66.27	74.36	69.89	83.90
51	64.42	69.04	77.06	72.24	85.84
52	67.76	72.02	79.95	74.83	87.98
53	71.34	75.22	83.02	77.66	90.35
54	75.16	78.66	86.31	80.75	92.95
55	79.25	82.37	89.84	84.01	95.81
56	83.62	86.37	93.61	87.44	98.95
57	88.31	90.64	97.66	91.03	102.39
58	93.34	95.34	102.02	94.78	106.18
59	98.72	100.37	106.70	98.69	110.31

New York Life

The New York Life has revised its manual on hazardous occupations, clarifying many points and adding some industries and sub-divisions. Some important changes have been made on commissioned officers in army and navy, glass industry, mining industry, match industry, rubber industry, marine service and railroad employees. Some of the employees engaged in building trades will now be granted a double indemnity benefit at a somewhat reduced rate. Some railroad employees and some engaged in the mining industry, who were formerly limited to endowment, may hereafter be written on the life plan.

WITH INDUSTRIAL MEN

CHANGES OF JOHN HANCOCK

Company Announces a Number of Promotions and Transfers in the Ranks of Field Men

The following have been promoted by the John Hancock from the ranks of agents to assistants in the districts of their service: William R. Helmer, Philadelphia 3; George B. Wilson, Chicago 1; Arthur L. Anderson, Chicago, 1; Paul Sherry, East St. Louis; Otto E. Mueller, Chicago 3; Paul C. Millemaggl, Providence; James L. Fairbank, Utica, N. Y. (Rome Det.); Charles E. Fox, Minneapolis; William W. Rid, St. Louis 1; Daniel H. DeWitt, St. Louis 1; Almon E. Kempton, Manchester, N. H. (Laconia, detached).

Those promoted and transferred are: Donald J. Kapp, from agent at Syracuse, N. Y., to assistant at Des Moines, Ia.; George E. Bassford, from agent at Chicago 4, to assistant superintendent at Des Moines, Ia.; Frank V. Goetz, from agent at Brooklyn 1, to an assistant at Allentown, Pa. (Bethlehem detached); Charles J. Carr, from agent at Cleveland 2, to an assistant at Cleveland 3; Otto Mossman, from agent at Minneapolis, to an assistant superintendent at Fort Wayne, Ind.; John S. Hellman, from agent at Bridgeport, Conn., to an assistant superintendent at Fort Wayne, Ind. Assistant Ernest J. Dumas is transferred from Minneapolis to Portland, Me. (Lewiston and Auburn detached).

Other changes are: Henry P. Evans, from inspection claim adjuster to an assistant at Chicago 2; Charles J. Thomson, Jr., from application inspector at Philadelphia 2, to inspector for Greater Philadelphia; Hayden E. Gittings, from cashier at Syracuse, N. Y., to cashier at Philadelphia 2; Donald Bruce, from cashier at Philadelphia 2, to agency supervisor at Philadelphia 2; Cornelium P. Lynch, from assistant-at-large to assistant superintendent at

Haverhill, Mass.; Richard Dooley and Humyag DesManuelian, from agents, to agents unattached at Cambridge, Mass.; Parker J. Readdin, from cashier at Meriden, Conn., to cashier at Hartford, Conn.; John W. Kilkelly, from training cashier at Springfield, Mass., to cashier at Meriden, Conn.; Gordon D. Crocker, from cashier at Detroit 2 to same capacity at Chicago 2; Edward C. Dairymple, from cashier at Chicago 2, to cashier at Detroit 2.

Death of A. D. Wallace

A. D. Wallace, superintendent of the Prudential in Toledo No. 1, died the other day. He became an agent of the Prudential at Danville, Ill., in December, 1906, but he was made assistant superintendent at New Albany, Ind., serving there until he was transferred to Toledo.

LOCAL ASSOCIATIONS

URGES SELLING OF "IDEAS"

Benjamin Bills Tells Kansas City Association That Salesman Must Organize His Material

KANSAS CITY, MO., June 3.—The Kansas City association listened to a rapid-fire talk May 28 by Benjamin Bills, director of sales of the American Bond & Mortgage Company. Mr. Bills emphasized the notion that the life insurance salesman is selling "ideas," and that an interview is successful only if the salesman can get across an idea that sinks comfortably into the mind of the prospect. This suggestion was contrasted with the mass of material which the insurance man has to master, as details of his business for the service of the prospect—but which are backgrounds and supplemental to the ideas he intends to sell. The insurance man may spend three years or three weeks mastering the material, and then he has to meet a prospect who expects him to give it to him in three minutes. The obvious answer is that the material itself can't be conveyed—but that something else can, which something else is an "idea."

Mr. Bills also urged that the facts and materials of life insurance must not only be mastered by the salesman, but must be organized, so that the specific useful items for each interview will be ready, and presented in proper sequence to have effect. Two of his phrases seemed particularly useful—"Give him the sharp end first," and "make him see it, not admit it." As to the "sharp end," the suggestion was that the salesman spar for an opening, until he found the "idea" that got under the skin of the prospect, and caused a cordial reaction of interest. This "sharp end" might be the idea of his boy's education, release from estate taxes, or some other private interest of the prospect. An example of "blunt end" was the statement, "John, you ought to have more insurance," which would set up resistance, and not receptivity.

The suggestion as to the prospect's "seeing" involved the presentation of the manner in which a life insurance advantage operated, as contrasted with a dull and repellent description of why it operated that way. "Why" talking would merely present a supposedly and abstractly interesting logical discussion which the prospect might follow, academically, if he had the time, but which would not lead to action.

NAME NEW DETROIT OFFICERS

William O. Baldwin Selected to Head Life Underwriters Association There for Coming Year

DETROIT, MICH., June 3.—At the final meeting of the Life Underwriters Association of Detroit prior to the vacation period the following officers were elected: William O. Baldwin, New York Life, president; John W. Yeats, Massachusetts Mutual, first vice-president; Walter D. Redman, Provident

Shortening The Selling Process

OUR SYSTEM of obtaining "leads" for our Agents has been cited as one of the most successful in operation.

This service is part of our comprehensive program of Home Office cooperation which is of genuine practical value to our men in the field. Service to policyholders is also the best kind of service to Agents. Our Policyholders Service Department offers, among other things, the health service of the Life Extension Institute free of charge.

For information concerning Agency opportunities, address:

T. LOUIS HANSEN, Vice-President

The Guardian Life Insurance Company OF AMERICA

Established 1860 under the Laws of the State of New York
Home Office: 50 Union Square, New York

TO MEN WHO CAN QUALIFY

We are offering some splendid OKLAHOMA and MISSOURI territory on a General Agency basis.

The Farmers & Bankers Life Insurance Company

Executive Offices

Wichita, Kansas



Seventh in the U. S. A.

In 14 years this Company developed an accident and health business that placed it in 7th place among all the companies of the United States in amount of disability claims paid. And it is now making equal progress in the development of the Life Insurance Department.

BUSINESS MEN'S ASSURANCE COMPANY
W. T. GRANT, President KANSAS CITY, MISSOURI

Eureka Life Insurance Co. OF BALTIMORE, MD.

Incorporated Under the Laws of Maryland, 1883

WE ISSUE

Standard Ordinary and Industrial Policies

J. C. MAGINNIS, President
J. BARRY MAHOOL, Vice-President

J. N. WARFIELD, Jr., Secretary-Treasurer
Dr. J. H. IGLEHART, Medical Director

\$1,000,000 in Mortgage Loans
Deposited with the Iowa
Department.



The Reinsurance Life
Des Moines

Big Applications Recently Received By The Prudential

Alabama	\$100,000	Pres. Foundry Co.	New York	\$200,000	Pres. Mines Co.
California	\$150,000	Woman of Wealth		200,000	Attorney
	100,000	Oil Producer		200,000	Treas. Silk Co.
Illinois				200,000	Woman of Wealth
	\$170,000	Pres. Candy Co.		200,000	Pres. Hosiery Co.
	150,000	Mfr. Sewing Machines		200,000	Executive Soap Co.
	150,000	Owner Dep't Store		200,000	Investment Broker
	100,000	Realtor		200,000	Capitalist
	100,000	Sec'y Ins. Co.		200,000	Banker
Louisiana				170,000	Bank President
	\$200,540	Oil Operator		150,000	Real Estate Owner
	160,000	Mfr. Machinery		115,000	Pres. Specialty Co.
Maryland				102,700	Cotton Broker
	\$115,000	Pres. Chemical Co.		100,000	Dry-goods Dealer
	100,000	Mfr. Chemicals		100,000	Dry-goods Dealer
Massachusetts				100,000	Dress Mfr.
	\$120,540	Executive Rubber Co.		100,000	Motion-picture Star
	100,000	Pres. Dept. Store		100,000	Pres. Fire Ins. Firm
Michigan				100,000	Importer & Exporter
	\$200,000	Realtor		100,000	Mfr. Canning Machinery
	200,000	Pres. Lumber Co.		100,000	Banker
	200,000	Pres. Auto Bodies Co.		100,000	Insurance Agent
Minnesota				100,000	Mfr. Clothing
	\$163,925	Executive Oil Co.		100,000	Physician & Surgeon
Missouri			Ohio		
	\$150,000	Oil Operator		\$200,000	Pres. Metals Co.
	100,000	Mfr. Metals		200,000	V. P. Metals Co.
Montana				100,000	V. P. Metals Co.
	\$200,000	Public Showman		100,000	Woman of Wealth
New Jersey			Pennsylvania		
	\$100,000	Woolen Mill Agent		\$250,000	Executive Woolen Co.
	100,000	Executive Thread Co.		250,000	Executive Woolen Co.
				200,000	Lawyer & Realtor
				175,000	Salesman Steel Co.
				150,000	Mfr. Syrups
				150,000	Attorney-at-Law
				100,000	Pres. Seed Co.
				100,000	Woman of Wealth
			Wisconsin		
				\$100,000	Pres. Motorcycle Co.
				100,000	Pres. Paper Co.



The Prudential Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office, Newark, New Jersey

Over 1 1/2 Million Policies Now In Force



Only four other life insurance companies in America have more policy contracts in force than this company. The following figures show its remarkable growth in the last ten years:

	Jan. 1, 1914	Jan. 1, 1924
Assets.....	\$ 7,804,230	\$ 40,113,271
Policies in Force...	503,302	1,552,803
Insurance in Force	73,455,636	351,149,583

Attractive opportunities open to competent agents in Ohio, Indiana, Kentucky, West Virginia, Pennsylvania, Michigan, Illinois, Missouri.

The Western and Southern Life Insurance Co.

W. J. WILLIAMS, President

CINCINNATI, OHIO

Mutual, second vice-president; Frank J. Moran, United States Life, secretary; Willard K. Bush, Ohio State Life, treasurer. Executive committee: F. W. Weston, Illinois Life; Milton L. Woodward, Northwestern Mutual; E. C. Seed, Mutual Life of New York; W. A. Tyler, Prudential; Albert P. Steller, Mutual Benefit.

Prior to the presentation of these selections by Robert M. Ryan, chairman of the nominating committee, and their unanimous election the reports of officers and committees were heard, pointing out the splendid progress of the organization during the past year, due to the untiring efforts of President Milton Woodward and his associate officers, who were accorded a vociferous vote of thanks. In particular the reports emphasized the association's growth in membership to 275, including 80 new members, and the hearty endorsement of the organization by the state insurance department as evidenced by several letters from Commissioner Hands expressing appreciation of assistance rendered.

Tax Danger Cited

Hal H. Smith, prominent Detroit attorney and candidate for United States senator from Michigan, pointed out the danger from high taxation as affecting the commercial structure of the nation particularly and urged the necessity for proper protection of property earned through industry and ability in the form of insurance trusts. Mr. Smith characterized life insurance as a creature of the statute of state and federal law making bodies and requested a political awakening on the part of life insurance men particularly and business men generally with a view of taking a more active interest in the selection of legislators and in the affairs of the government.

Creation of Insurance Trusts

E. H. Woughter, of the E. H. Woughter Company, pointed out the great need for exercising care in the creation of insurance trusts through assurance of proper protection in the handling of funds. He stated that life insurance was the most unselfish business in existence and at the same time possessed the greatest assets. Mr. Woughter expressed his inability to catalogue life insurance in terms of indemnities and stated that it was productive of a greater and more far reaching purpose extending beyond this provision for the payment of a definite amount. He also urged the need for relief from state taxation by pointing out the surplus millions over the expenses of insurance departments that are annually paid in the form of state taxes.

President Woodward announced that the cooperative newspaper advertising campaign under the auspices of the association would be commenced early in September and that the fund had recently been increased by a contribution of \$1,000 from three home office companies.

Cincinnati, O.—Following are the nominations for officers of the Cincinnati association:

Nominated by committee appointed by the president: For president, Harvey L. Shepherd; vice-president, Ralph Holterhoff; secretary, Max Salzer; treasurer, John W. Mackelfresh; executive committee, H. T. Saunders and John C. Sebastian; national executive committeeman, H. W. Hutchins; delegate to Ohio State Association, Clarence Schram.

Nominated by committee elected from the floor: For president, Harvey L. Shepherd; vice-president, Harry Isrig; secretary, Max Salzer; treasurer, Warner Wilson; executive committee, Charles A. Norton and Clyde E. Blosser; national executive committeeman, C. Vivian Anderson; delegate to the Ohio State Association, W. A. R. Bruehl, Jr.

The election will be held June 12.

North Texas.—The North Texas Association is to stage a membership drive in the near future. It is announced by Secretary Cameron Brackney. The association during the next few weeks will try to add 200 new members to the rolls. It is out this year to cop the prize for members added during the present year.

Green Bay, Wis.—Characterizing cooperation as the great need of the insurance men at the present time, E. L. Carson, general agent at Milwaukee for

the Equitable Life, and president of the Milwaukee association, delivered a stirring address on insurance organization work at a meeting of the Green Bay association. Mr. Carson brought out the fact that lawyers, doctors, and even industrial workers have their own organizations for mutual benefit, and through them are greatly advancing their status. He urged that greater headway in this important matter be made by the insurance men.

At the conclusion of Mr. Carson's address the association decided to contract for a series of local newspaper advertisements to bring out the social as well as educational value of insurance. This campaign will be carried on in cooperation with the national organization.

Cleveland, O.—Milton L. Woodward, president of the Detroit association, will address the Cleveland association June 13 on "Selling What a Man Ought to Buy." Mr. Woodward is one of the largest producers for the Northwestern Mutual, his annual volume exceeding \$1,000,000 for several years past.

Decatur, Ill.—Nathanial P. Blanchard, president of the Champaign, Ill., association, addressing members of the Decatur association at their regular meeting last week, illustrated how an underwriter may influence young men between 15 and 21 to establish habits of thrift and saving through insurance buying. Mr. Blanchard also touched upon curbing unethical practices in the business and suggested state wide cooperation for legislation to prevent underwriters who attempt to influence policyholders to change from one company to the particular one he represents.

RESENTS THE POSITION TAKEN BY NEW YORK (CONTINUED FROM PAGE 3)

they will not be disturbed at present but, when the end of the year comes, if the New York department is applying its retaliatory provisions against Indiana companies, the New York companies will be advised that they will be readmitted to Indiana only upon complying strictly with the technical provisions of the Indiana statutes. As to effect of such a ruling he stated that he believed very few New York companies could qualify under the Indiana laws, particularly as relating to investments, since the Indiana laws restrict the investment of Indiana companies to real estate mortgages, government, state and municipal bonds. Railroad stocks and like securities, large blocks of which are held by New York companies, are not permissible to Indiana companies and on this point alone Mr. McMurray feels that New York companies could be barred from Indiana. There are also other provisions in the law which, strictly applied, might serve the same purpose. He also says that he knows of other states which will take a similar stand.

"It's nice to build a little wall around your island to keep your neighbors out," Mr. McMurray declared, "and to protect your own business for yourself, but if you happen to lose the key and can't get out you may find yourself worse off than your neighbors. I certainly shall take no definite action against New York companies unless I am forced to do so by the New York department. I should regret this for it would work a hardship to policyholders, the companies and their representatives. But no self-respecting state department can submit to dictation by another state such as has been directed against Indiana companies by the New York department. I hope that an amicable agreement will be reached."

"If a man does not provide for his children, if he does not provide for all those dependent upon him, and if he has not that vision of conditions to come and that care for the days that have not yet dawned, which we sum up in the whole idea of thrift and savings, then he has not opened his eyes to any adequate conception of human life. We are in this world to provide not for ourselves, but for others, and that is the basis of economy."—Woodrow Wilson.

SHOWS AGENTS' PART PART TIMER FAVORED**EFFECT ON REJECTION RATIO**

**President Decker of Register Life
Speaks of Relation to Medical
Department**

ATLANTIC CITY, N. J., June 4.—In the discussion of the relation between the agency forces and the medical departments of life companies, before the Medical Section of the American Life Convention in session here this week, G. E. Decker, president and medical director of the Register Life of Davenport, told of the need of strong agents and their importance in the matter of rejections, saying, in part:

Need Strong Agents

"It has been well said recently that a life insurance salesman who is qualified to give sound advice to his clients should have education, mental capacity, and energy enough to command a salary of \$5,000 a year. To achieve such an income in the life insurance field he would have to average \$300,000 paid for business a year—at least until his renewals became a factor. There are such men but there would be many more if the field were cleared of the low grade agents who do themselves no good and who ruin the prospects of good men by their ill advised efforts. The large turnover in the agency force is made up of the low grade agents who go from company to company and who will continue to do so as long as the companies take them on as eagerly as they do now. The minimum requirement of production is a long step in advance and of itself will tend to eliminate a large number of part time men. However, the large problem of part time agents is not wholly solved by this method, at least for the average smaller company.

"Preliminary training can apply profitably only to full time men and especially to general agents or others having to do with the training and supervision of local agents. Surely no company can afford to contract with a general agent who lacks fit mental equipment and field experience.

Rejection Cost a Factor

"Attention is called to the cost of rejections and the fact that the estimate cannot include the cost in time and effort to the agent. This loss suffered by the agent is more important than the expense the company has had and is often harder to allocate. The company with which I am connected, however, has a standard accounting system installed in all its general agency offices and by means of this system we can keep in close touch with our agents' problems. Complete monthly statements are sent to the home office showing their itemized accounts and thus the agents are better able to measure the value of their time and we can quickly see if they are working along unprofitable lines and with the wrong class of people.

"The ratio of rejections does depend a great deal upon the agent's selection of risks in the field, and good agents have little to complain of in this regard. Indeed, good agents rarely complain about rejections because they are loyal and are inclined to believe that if anyone is wrong it is the applicant and not the home office. This loyalty is born of fair treatment and a disposition to recognize two sides to a question, and the method of getting in close personal touch with his field force does much to promote loyalty and does not impair the dignity of the medical director. There is nothing undignified about being friendly.

"The agents are close to the medical department and every effort should be made to maintain this close relationship. Opportunity should be made to discuss in a general way such subjects as acute and chronic indigestion as related to appendicitis, gall bladder trouble and

NOT OPPOSED AS BEGINNERS

**Sentiment at New Orleans Favors
Those Who May Be Developed
Into Full-Time Agents**

NEW ORLEANS, LA., May 27.—General agents in New Orleans are not opposed to part-time agents where there is a legitimate prospect of the man learning the business and becoming a full-time agent. In fact, they think this is the best means of developing new selling material and that it is infinitely preferable to raiding the ranks of other companies.

The question has reached national consideration as a result of the recent advertising campaign of the Pan-American Life of New Orleans, and the strong stand taken by Dr. E. G. Simmons, vice-president and general manager of that company.

"Remain where you are, working for us during spare hours only, until such time as you see your way clear to devote all your time to life insurance. Meanwhile, we will provide you with a free educational course", is the tenor of the advertisements.

Expressions from General Agents

Following are typical expressions from local men:

Frank L. Levy, general agent Equitable Life: "I am opposed to part-time men except where there is a legitimate prospect of the man becoming a full-time agent. In the rural sections where it is impossible to get full-time men, we put on part-timers. But in the large centers, we think the business should be kept for those who will devote their full time to it. Where the prospective agent wants to learn the business and devote his life to it, of course we encourage and help him in every way in our power."

Wilson Williams, general agent New England Mutual: "I am in favor of serious part-time men—that is, men who have some intention of engaging permanently in the business after testing their abilities in it. If we didn't get agents from other lines of endeavor, it would be impossible to develop new agencies except by raiding some established agency, and to that I am opposed. The best producers in my agency started with me on a part-time basis. By patience and careful training, I've developed them into creditable factors in the life insurance business. None of these men knew the difference between life and fire insurance when they started here."

Dr. Simmons' View

Dr. E. G. Simmons, general manager of the Pan-American: "Part-time men have a legitimate place in life insurance. Men who continue on in their present occupations and study and sell insurance in their spare hours can develop into full-time men. We don't want to take agents from other companies. We prefer to develop our own men. In rural districts, it is especially necessary to employ part-time men."

chronic ulcer; to explain the relationship of overweight to certain age groups and family histories; to call attention to the relation existing between overweight and traces of sugar; high blood pressure with traces of albumin, etc. I agree that too much medical information confuses the agents and it is not desirable to go into detail. I believe that the educational program of the Phoenix Mutual is both valuable and timely and is bound to result in a better lot of agents and policy holders. Agents not only represent their companies but also they reflect them; the better the agents the higher will be the regard in which the companies are held by the insuring public."

We write a complete line of policies—age one to sixty-five. We have all the modern features of life insurance.

General Agency Openings In

MICHIGAN: Dowagiac, Hillsdale, Adrian, Jackson, Ann Arbor, Pontiac, Traverse City, Bay City.

OKLAHOMA: Oklahoma City, Enid, Ardmore, McAlester, Okmulgee, Guthrie, Bartlesville.

OHIO: Dayton, Cincinnati, Toledo, Cleveland, Sandusky.

INDIANA: Indianapolis, Terre Haute.

ILLINOIS: Springfield, Bloomington, Peoria, Decatur, Jacksonville, Joliet, Rockford, Waukegan.

MISSOURI: St. Louis, Springfield, Joplin, Moberly, Jefferson City.

IOWA: Des Moines, Council Bluffs, Sioux City, Davenport, Burlington.

Farmers National Life Insurance Company of America

A. O. Hughes, Vice-President in Charge of Agencies

3401 South Michigan Avenue

Chicago

Seventy-Nine Years Ago

in 1845, the Mutual Benefit Life Insurance Company was organized and established in Newark, New Jersey, as a purely mutual institution for the benefit of its policyholders. Its beginnings were small, but the foundation was firmly laid. The Company has grown steadily from year to year and its present standing results from continued adherence to the purpose of the founders of the Company. That purpose was to issue simple, straight-forward policies of life insurance at the lowest possible cost consistent with absolute security and liberal treatment of policyholders.

The

Mutual Benefit Life Insurance Co.
Newark, New Jersey

POWER OF ADVERTISING IS PRESENTED BY A LIFE INSURANCE SALESMAN

GAYLORD DAVIDSON, special field superintendent of the Reserve Loan Life, addressed the staff and sales organization of the "Decatur Herald," at Decatur, Ill., making some observations on advertising.

In discussing the various phases of practical salesmanship, Mr. Davidson laid special emphasis upon the power of advertising through newspapers of established integrity and usefulness and their co-workers, the magazines covering various literary and business enterprises. He said:

Common Responsibility Is Seen

"It is both a privilege and an opportunity to share with avenues of public service comprehended in the newspapers and magazines of high merit, the message giving that brings these publications into the lives and hearts of people who are doing the world's work. There is a common heritage and a common responsibility in this service; the bond of fellowship lies deep. The advertiser gives the seal of his approval to the efficacy of the medium utilized. The medium utilized by the advertiser puts its stamp of approval on the merits of the article offered to the public, be it merchandise or methods of human service.

Insurance Trade Advertising

"In no greater degree has this bond of fellowship been exemplified and is rapidly widening, as that shown by many officials of life insurance companies today, in utilizing the pages of insurance publications to tell their own respective agents week by week, the story of the progress of their own company. This is salesmanship of a high



GAYLORD DAVIDSON

order, and through it runs the fine thread of devotion to the high ideals of the life insurance profession.

Highest Type of Salesman

"Some idealist tells us we life underwriters are not salesmen, but advisers. Good and well. But the successful life insurance salesman is more than an adviser. He is a prophet, an evangelist, a gift of God. His achievements are divinely inspired, and stand for all things that make for human advancement and the perpetuity of the race."

HOW HE HAS AVERAGED ONE MILLION A YEAR (CONTINUED FROM PAGE 4)

paid principal, and no taxes to pay, which would be at least \$350. If the prospect should die at any time, his wife would receive \$1,300 down and \$50 a month until her death. On the other hand, if he were disabled he would receive \$100 a month until his death. In any event the greatest amount he would have to pay would be \$7,300, and at the age of 65 he would receive \$10,000, almost \$3,000 more than he paid.

About 90 percent of Mr. Trospers business is written on the income plan. He frequently draws a little house, remarking that the first thing necessary in building a house is a foundation. He asks the prospect to make a mark on the foundation showing the relative extent of his past accumulation. Calling his pencil the angel of death or disability, he wipes out the rest of the foundation, showing what might happen to the prospect's plans. Then he explains how he is there to make that foundation secure, and proceeds to lay the different concrete blocks: food, rent, fuel, education, and miscellaneous. He shows how life insurance on the income plan will establish a foundation that will keep the house secure, and proceeds to get the applicant's signature on the form which he has already filled out.

Investments Not Dependable

Sometimes he meets a man who claims that he has adequately provided for his family through investments. In 1918 he called on a man who held a high position in the General Motors Company and who said that he had a large block of the company's stock to provide for his family. Mr. Trospers works on the theory that a man's judgment is no better than his information, and he invariably asks the man who says he is not interested how he knows he is not. In this case, however, he was unable to sell the prospect, who

believed that General Motors stock was infallible, but right after the war General Motors stock dropped from \$200 to \$9 a share, and it has not risen 15 cents, or paid a dividend since. This prospect died three months later of influenza, and since then his family has been forced to sell this General Motors stock at that ridiculously low price in order to keep alive.

Interest Must Be Aroused

Mr. Trospers merely follows the a, b, c's of salesmanship. The approach is most essential, but it is useless if not followed by interest. This interest must be aroused to a point where the prospect's attention will be concentrated on the proposition in spite of distractions. The agent must then arouse desire until the prospect sees only the value and not the cost, and then he must secure the decision. Mr. Trospers always gives a man at least three chances to buy. He does not tell his whole story at first, but keeps a part of it in reserve. One of his reserve talks, his last shot when a man insists he wants to talk the proposition over with his wife, is to picture to the man how his wife would approve of his foresight and thoughtfulness if he told her how he had provided for her future or for the children's education. In contrast to this, he shows how, if he goes home to talk the proposition over, she will be unable to imagine anything happening to him, but will think chiefly of the difficulty of meeting the premiums.

First Prospects Bank Directors

He first started out canvassing bank directors, going down the list of directors on the back of a financial statement and explaining to each how he could create a trust fund free from all sorts of taxes. He saw ten men before he made a sale, but his commission on that sale amounted to \$600, an average of \$60 per director. After that nothing could stop him.

In order to obtain an advantage over the prospect, Mr. Trospers tries to get

OPPORTUNITY FOR BUSINESS IN SMALL TOWNS SHOWN BY STRIKING EXAMPLE

THE "small town" life insurance man sometimes feels discouraged and is inclined to believe that his opportunities for success are few. Agency supervisors of almost all companies will testify to the fact that they are continually in receipt of requests from such men for transfer to a larger territory or a more populous one. That "small town" work may be made extremely profitable, if properly planned and executed, is evidenced by the record made by Joseph S. Maryman of the Aetna Life, located at the little village of Hampton, Ark. Mr. Maryman went at his work in a way that made him the leader of his company's agency forces for 1923 which, in view of the fact that the Aetna has large and important agencies in almost every city of the Union, is of great importance. Campbell & Hart, state managers of the Aetna for Arkansas, thus describe Mr. Maryman's work:

Maryman's Work Described

"Joseph S. Maryman came with the Aetna Life in 1915. He was then 23 years old, had had no previous insurance experience, but had been a clerk in a store at the town of Bradley, Ark. He is now 31 years of age and has been continuously with the Aetna since 1915, with the exception of two years spent in the army, rising from private to first lieutenant.

"Bradley, Ark., where he spent his first year working, has a population, according to the 1920 census, of 290. Mr. Maryman's first year was spent writing insurance in this town. He paid for a quarter of a million the first year. He then moved over to the town of Hampton, with a population of 271, and spent his second year there. His business ran approximately \$300,000.

"His method of work has always been very intensive. Of course, it had to be

in these small places. He would write a man a policy, then write his sons, his brothers, nephews, cousins, business associates and all other affiliations. Naturally his efforts carried him into the surrounding country, but the basis of his business these two years is the business of these two towns.

"His development has been very fine. He has never been of the flashy, high-pressure type. On the contrary, he is extremely quiet, reserved, and modest. His business has grown from year to year, culminating in the production for 1923, which on the paid-for basis, is as follows:

Number of Policies	Amount
27	\$ 1,000
2	1,500
19	2,000
24	2,500
10	3,000
4	4,000
51	5,000
2	7,500
19	10,000
4	15,000
7	20,000
2	25,000
4	50,000

Produced Every Week

"Total of 175 policies, with \$1,084,000 paid for. He did not miss producing any single week during 1923.

"In Arkansas there are only seven towns, according to the census for 1920, of over 10,000 population; one 7,500 to 10,000; five from 5,000 to 7,500; five from 4,000 to 5,000; ten from 3,000 to 4,000; 28 from 2,000 to 3,000; 42 from 1,000 to 2,000; 1,666 under 1,000.

"Practically all the business was gotten last year by Mr. Maryman from two classes of towns; those from 2,000 to 3,000 and those under 1,000."

him to do something for him. He drops his hat to see if the prospect will pick it up, asks for a pencil, or breaks his own, or asks for a scrap of paper—anything to get the prospect started to doing something for him. After he has once succeeded in getting him to do some little favor, it is much easier to keep him in the mood for doing as he is told.

Follows Up Personal Articles

Mr. Trospers has had splendid success in following up personal articles in "System" and the "American Magazine." After reading about a Mr. Foster in the shoe business in Chicago, he boarded the next train for that city. He finally persuaded the secretary to let him speak to Mr. Foster by telephone, and because of his long trip Mr. Foster gave him permission to talk to the secretary. He called, convinced the secretary of the value of his proposition to such an extent that she called the vice-president, and Mr. Trospers sold him before seeing Mr. Foster. He then took a train for Palatine, Ill., where Mr. Foster was visiting his farm, and succeeded in having Mr. Foster drive four miles to meet him at the station. He sold this prospect not only the policy that he had come to sell for the man's son, but another one of equal amount for his four-months-old daughter.

Closes on First Interview

Mr. Trospers sells 90 percent of his cases on the first interview. He gives the best he has the first time, and because he knows that the second or third interview must be much weaker, just as a well-worn joke loses its point, he makes every attempt to close the first time. Successive calls put one in the situation of begging. The prospect's mind is much like a painter's canvas, upon which he first paints a background and then gradually brings out the details

of the picture. He strikes for the application while this picture is fresh.

Through his boyhood experience with cattle on an Oklahoma ranch he learned to tell which one of the herd was going to bolt and he knew that others would soon follow. In the same way he watches his prospect for signs when he is going to bolt and tries to direct that bolting into the right channel. After the first one bolts others will soon follow. In this way one application leads on to others.

Must Have Vision

The successful agent must be saturated with a religious fervor for selling life insurance. Anyone can obtain as much success in this business as he desires, for life insurance is much bigger than any man or woman in it. In addition to a thorough knowledge of the business the agent must have a broad vision of life, and he must also have what Mr. Trospers terms the "salesman's itch," which fills him with the desire to sell on every occasion.

Enters Life Insurance Field

A license for the transaction of life insurance in Canada has been issued to the Dominion of Canada Guarantee & Accident. This is a new departure for a casualty company in Canada. At the present time the company transacts accident, sickness, automobile, fire, plate glass, burglary, inland transportation, guarantee, baggage, steam boiler and life insurance. This company is working along the lines that one company should be able to transact every class of insurance, and this company is now in this class. Along the lines of life insurance the company intends to write non-participating business only.

Look pleasant—even if you force a laugh; Life's always taking your photograph.

WRITES CANCELLABLE A. & H. ON AGE BASIS

Stewart LaMont of Metropolitan
Life Strikes Out on Inde-
pendent Lines

NOT FOR WAITING PERIOD

Sees Danger of Trouble in Plan—Says
Harm Done Health Insurance
by Non-Cancellable

NEW YORK, June 3.—Stewart LaMont, vice-president and manager of the accident and health department of the Metropolitan Life, has followed a more or less independent line of action in the development of that department for the Metropolitan. He originated the plan of writing cancellable accident and health insurance on rates based upon age. All the business of his company is on that basis.

Mr. LaMont is not a booster for the waiting period plan of writing health and accident insurance. He said that the waiting period idea is absolutely sound from an underwriting standpoint. For the occasional man who thoroughly understands what he is buying and who in all events would never put in a claim for disability, which did not extend beyond the period of elimination, it would be satisfactory. However, Mr. LaMont feels that it will be a long time before agents can be depended upon to sell insurance in such a way as to emphasize a waiting period, and even longer before policyholders will remember the waiting period.

Like Selling Merchandise

He said that in selling merchandise one salesman may have a product for all practical purposes as good as another and yet cost 10 percent less. The salesman representing the higher priced product has an article which costs more than his competitor's because of its fine finish. These salesmen can be counted upon to emphasize the strong points of their various articles. The salesman of the cheaper article will talk about its usefulness and point out how futile it is to spend money for finish, if the topic of the finish is brought up. He will naturally not spend much time talking about the fine polish. On the other hand the salesman of the higher priced article will put his emphasis on quality and fine finish.

Buyer May Not Remember

Salesmen of insurance will do the same thing. An agent may not attempt to hide the fact that his policy has a waiting period and therefore is cheaper but if he will mention it casually and point out how unnecessary it is to have insurance for the first two, three or four weeks, his attitude will be that insurance for that period is of little value and of no interest and not much of a topic for discussion. He will place all his emphasis on the long periods of disability.

Consequently, when three years later the policyholder has a disability of three weeks he will remember that he has health insurance and will put in a claim. Experience shows, says Mr. LaMont, that regardless of whether he recalls the conversation or not he will frequently put in the claim anyway and insist that he did not know that he was not getting protection for the first month. When the Metropolitan does write waiting period protection, the waiting period is indicated right below the amount of the premium—the place that the insured is most likely to look.

The Travelers attempts to overcome

the difficulty by using a form which provides that if the disability lasts longer than a period of three weeks the claim will be paid for the entire period of disability. In other words if a man is sick 22 days under a policy with a three weeks elimination he will receive 22 days' indemnity, while if he is disabled 20 days, he will receive no indemnity. The ordinary waiting period policy would provide no indemnity for 20 days' disability and one day's indemnity for the 22-day disability. The rates on the Travelers policy are about the same as those with a full two weeks elimination period put out by other companies but not allowing any payment for the first two weeks of disability regardless of the time lost.

Mr. LaMont thinks that this will overcome the trouble on the long claims because, of course, there will be no dissatisfaction if indemnity is paid from the first day of disability. He thinks, however, the difficulty will still exist in claims of less than three weeks.

Would Follow Fire Company Plan

"Most of the underwriting trouble in the health insurance business could be overcome if the companies would decide to get together and be cold blooded about it as the fire insurance companies are," he said. "If we would regard health insurance risks just as a fire insurance company regards a fire risk and cancel them off the books as soon as it is evident that a risk is found to be unprofitable, then we could make money on the business and lower the cost of health insurance, but we are not going to do that and I do not advocate it. It is a fact, nevertheless. Perhaps after four or five years of education the public would realize that the new system costs less for the good risks, who, under the system in vogue in 1924, are paying the cost of insurance for the bad risks."

"A great deal of harm has been done to the health insurance business by the non-cancellable policy. It is a good insurance proposition. It is a valuable form of protection but the very name non-cancellable, has caused a lot of trouble. It has given people the wrong attitude toward insurance. They have got to the point where they say, 'I do not care what it costs. I want a policy that cannot be cancelled.' They are not interested in the terms of the policy contract. The benefits offered are of no interest to them. The fact that the non-cancellable costs 30 percent more for a contract less liberal does not appeal to them. What they want is non-cancellable insurance."

"If the term 'renewable contract' that is used by many companies had always been used, this trouble might have been avoided. You never hear a life insurance man emphasizing the fact that his policy is non-cancellable, do you? He merely goes out and sells a permanent form of insurance and 'non-can' accident and health can be written the same way. The trouble with the non-cancellable policy as it has been sold is that people take it with the idea that if they do not 'get by' with the first claim they can study the matter further and put in a second claim later on that will be paid. Under no circumstances can the company take the contract away from them. This is perhaps a logical result of the competition of the two forms of insurance."

Mid-West Buys Lincoln Life

The Mid-west Life of Lincoln, Neb., announces that it has taken over the life, accident and health business of the Lincoln Life of that city, whose founder, O. J. Collman, died recently. R. E. Weaverling, in charge of the accident and health department of the Lincoln Life, will continue in that capacity with the Mid-West. The Lincoln Life had about \$2,000,000 of life insurance in force and an annual premium income of \$240,000 on accident and health.

The ability to properly estimate a man's need is one of the first qualities which an up-to-date life insurance solicitor should possess.

"Station P-M-L-I-C"

Production is swinging along at the most aggressive pace in the Company's history.

Here's what our representatives have:

The priceless asset of a nationally-known name—we are seventy-seven years old.

Policy contracts sufficing for every need.

Topnotch service.

Advantageous net cost.

Advertising material that "pulls."

Regional Conventions that are schools of salesmanship.

Genuine fraternity between Home Office and Field—we have neither taskmasters nor slaves.

These are ingredients in our recipe for Field success. We welcome men and women who value them.

Ask any PENN MUTUAL representative!

The Penn Mutual
Life Insurance Company
Philadelphia, Pa.

Organized 1847



Acacia Mutual Life Association

A Mutual, Old Line, Legal Reserve Life Insurance Company

Insurance in Force, over \$158,000,000.00 Assets over \$10,000,000.00

We issue all Standard Forms of Old Line Legal Reserve Policies to Master Masons only, at net cost

To Agents who are Master Masons we offer: Liberal First Year Commissions—Continuous Renewals—thus insuring an income for life to permanent Acacia Agents—Real Home Office Cooperation

WILLIAM MONTGOMERY, President

Homer Building Washington, D. C.

National Underwriter Want Ads Produce Results

One Inch, One Column wide, one time, \$5.00.

Write, Wire or Phone to

The National Underwriter, 1362 Ins. Exch.

Phone Wabash 2794

CHICAGO

Just a Minute!!

That's all the time it will take for you to write the letter that will bring you information about

Good Agency Openings in Ohio, Penn-
sylvania, West Virginia, Kentucky,
Illinois, Indiana and Michigan
Liberal Commissions
Non-Forfeitable Renewals
Complete Line of Policies
Both Participating and Non-Participating
Double Indemnity and Disability
Home Office Helps
Friendly Dealings

Get Started Right. Drop Us a Line Now

THE CLEVELAND LIFE INSURANCE COMPANY

WM. H. HUNT, President

Home Offices

Cleveland, Ohio

Northwestern National Life Insurance Company

Minneapolis, Minn.

Mutual.....Legal Reserve

Assets.....\$16,666,178.00

Surplus.....\$1,427,367.00

Insurance in Force.....\$173,309,166.00

The COMPANY has \$109.37 of assets for each \$100 of liabilities

Rate of Interest Earned, 1923.....6.20%

Mortality, 1923.....41.3%

Liberal direct agency contracts available in Pennsylvania, Virginia, Southern Indiana, Southern Ohio, and Kentucky to men of ability and record of successful results in personal production and organization.

THE MUTUAL LIFE

The Mutual Life Insurance Company of New York has a record of EIGHTY YEARS of prosperous and successful business. It has passed through panics, pestilence and wars unharmed, and to-day, as a result of eight decades of endeavor, offers financial strength, reputation, magnitude, leadership, and life insurance service.

Those considering life insurance as a profession are invited to apply to

The Mutual Life Insurance Company
of New York

34 Nassau Street, New York

Insurance Record, 1923

New Insurance . . . \$ 96,148,025

Insurance in Force . . 719,421,634

Increase of \$58,623,876 which is 61% of the New Business

New England Mutual Life Insurance Company

of Boston, Massachusetts

Our Agents Have

A Wider Field—

An Increased Opportunity

Because we have

Age Limits from 2 to 60.

Policies for substantial amounts (up to \$3,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.

Participating and Non-Participating Policies.

Same Rates for Males and Females.

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO, ILL.

SALES DEMONSTRATION GIVES CANVASS FOR "NOT INTERESTED" RICH MAN

A RATHER novel line of arguments, which should be helpful to any agent dealing with the "not interested" rich man, was presented in the sales demonstration staged at the Penn Mutual agency convention at White Sulphur Springs last week by Vice-President William H. Kingsley as the agent, and Ralph Humphreys, assistant to the vice-president, as the prospect.

The problem involved: Selling insurance to a married man who has an income of \$60,000 a year arising from a trust fund established by his father, and whose wife has an income of \$40,000 arising from a trust established by her husband. They have no children. The husband is a professional man of high standing; earns in excess of \$100,000 per annum; owns a city home and a large farm, which is more or less of a plaything into which he sinks \$10,000 or \$15,000 per annum, in excess of its yield. The interview was carried out as follows:

Mr. HUMPHREYS—Mr. Humphreys, when we were together the other evening you were quite outspoken in your thoughts regarding life insurance. A number of your intimate friends were present who were aware of your business standing and financial condition, and probably thinking you would get a rise out of me, you made a few remarks along the line of your being one individual to whom the benefits of life insurance could not possibly apply.

After you referred to what most of us know with respect to your income, etc., I felt that the occasion was not one which would permit any discussion; but I drifted around here at this hour, when I know you are usually at leisure, just to take 15 minutes of your time to convince you that you have a wrong slant on life insurance as applied to your particular circumstances; and if the discussion of this subject is going to spoil your lunch I will just abandon the idea at this time; but I want to serve notice on you that I am going to camp on your trail until you give me your attention for a few minutes.

Mr. HUMPHREYS—I will go without lunch and listen to you now, rather than have hanging over me the thought that you and I were going to have a talk on this subject in the future—besides which I will have you at a disadvantage, for each minute that goes by now will increase the protest that my stomach will make over the absence of food.

Mr. HUMPHREYS—I would ask that you free your mind of all pre-conceived notions you have regarding life insurance and allow me to register certain thoughts which I believe will be interesting.

Mr. HUMPHREYS—All right; go ahead.

Mr. HUMPHREYS—I know your circumstances and I want to get right down to my first point: After you and your wife have spent all of your income that is necessary for your comfort and luxury, how much of your income is left?

Mr. HUMPHREYS—Well, we're very liberal livers, having no children and no fear of the future—so I think it is safe to say that on the average, including foreign travel, which we do, charitable contributions which we make and general expenses, there is left \$100,000 per year.

Mr. HUMPHREYS—What do you do with it?

Mr. HUMPHREYS—Why, invest it.

Mr. HUMPHREYS—How?

Mr. HUMPHREYS—Having a home and a farm, and not desiring to load up with real estate, I go to my bankers, look over the securities which he has for sale and under his guidance make selections, pay for my purchases and put them away in my tin box.

Mr. HUMPHREYS—Did your banker

ever suggest that if you wished to buy \$100,000 of securities, you could make a deposit of \$3,000 or \$4,000 and thereafter deposit such sum annually, without paying interest on the balance—and should you die all unpaid balances against your purchases would be canceled and the securities delivered to your estate?

Mr. HUMPHREYS—No; I don't think any banker would make such a suggestion to me, for he would likely know that I would regard it as an insult to my intelligence.

Mr. HUMPHREYS—If my company would make such a contract with you, guaranteed by \$275,000,000 of assets, and agreed to sell you \$100,000 in cash on these terms, would you regard it as a favorable investment?

Mr. HUMPHREYS—Didn't you hear what I said about "insulting my intelligence?" You must know that a banker would not sell me securities on such a basis, and if that is so, how can an insurance company do it?

Mr. HUMPHREYS—That's just the point of contact that I want to create in your mind. An insurance company can do things with absolute safety and under guaranties that no individual or other corporation can do—and they are doing it every day.

Mr. HUMPHREYS—If that is so, why doesn't everybody know of it and avail himself of the opportunity?

Mr. HUMPHREYS—That's exactly the admission I wanted you to make. Everybody who takes the trouble to consider what life insurance will do for a family or an estate does know those things, and they are making contracts aggregating billions of dollars each year along the lines that I have made known to you. It is only men like you who thoughtlessly assume that life insurance does not fit into your financial fabric who stand aloof from it, and that type as soon as they become familiar with the facts take as large an amount of insurance as the companies will carry on them.

Mr. HUMPHREYS—I always thought that men of great wealth found better uses for their money.

Mr. HUMPHREYS—If that assumption were correct, how do you account for the fact that the late J. Pierpont Morgan, John Wanamaker, Henry P. Davison and other wealthy citizens died possessed of insurance in life insurance companies aggregating millions of dollars on each of their lives; in fact, they took all of the insurance that the companies would give them.

Mr. HUMPHREYS—I didn't know that.

Mr. HUMPHREYS—No, I'm sure you didn't; but I want to carry that thought a little further and drive it convincingly home in terms that I think will be to your understanding. You have referred to your bankers. Their relations toward you and their judgment and knowledge have served and always will serve most excellently in your undertaking to build an estate. There is no better channel through which an estate-foundation may be built for a man of your means—but all these men carry life insurance themselves, and the point I wish to make is this: You go down to your banker this afternoon and ask him to lay out on his counter the securities which he has for sale, so that you may make selection; and after he has done so, say to him: "I've got a little different thought about investments. I want to buy some life insurance, and I think I will purchase that which you are carrying upon your life." And he will tell you very promptly that that is one of his assets which is not for sale; thereby proving that he holds it at a higher value than the very things which you have been buying and in which he is constantly dealing. And if he on whose judgment you depend for the investment of your money holds life insurance in that esteem, how can

you fail to follow his lead in that respect, when you do so with regard to your other investments? There isn't one of these men who wouldn't sell any security which he owns at a price; but when it comes to selling their life insurance you will find that that is one item which is looked upon as a dependable cash asset, which they regard as precious and not for sale.

Mr. HUMPHREYS—Do you know, you have given me an entirely different point of view regarding life insurance. I am not a slow thinker; and I want to know how much it would cost me to take on a million dollars.

Mr. KINGSLEY—The cost isn't the thing, for you can afford to do 'most anything so far as money is concerned. Insurance premiums should hardly be spoken of in terms of "cost." They represent deposits that are returned to you as part of the ultimate fund; but the important thing is something else: Are you in physical shape to take advantage of the benefits of life insurance? You have been leading a pretty easy life, are a man of full habits, and you will have to have the doctors determine whether you are eligible.

Mr. HUMPHREYS—Well, you send a couple of them around this afternoon and have them look me over. I hope that I haven't let this thing go so long and become so careless that I have gotten out of condition physically, for now I see that if I can get life insurance I will then have among my assets an item of supervalue to my heirs.

PRESENT IMPORTANCE OF MEDICAL MEN TOLD (CONTINUED FROM PAGE 4)

tion. Not infrequently, bitter and costly experience teaches that the choice of the physician used for medical examinations must rest with the company, and not with the applicant or agent.

"Examiners should be graded according to the service they render, they should be educated by having the underwriting viewpoint presented to them at medical meetings, in medical school courses, and in bulletins and personal correspondence, and for this work the medical director requires up-to-date medical and insurance knowledge, and a personal appreciation of the average doctor's point of view. A layman usually cannot successfully handle a corps of busy physicians as he would direct a corps of office clerks.

Is Becoming Big Problem

"Systematic, painstaking, interested supervision of the examiners of a life insurance company, combined with loyally supporting them in furnishing detailed and reliable data will pay better in the form of mortality savings than an equal expenditure in any other direction.

"Furthermore, the problem is becoming an increasingly difficult one for several reasons. Specialization is monopolizing the interest of the better men in the larger cities. The general practitioner, in the sense of a generation ago, is unfortunately for the public, the profession, and especially for life insurance, becoming almost extinct. The internist, unless he is just beginning his specialty, will usually not take the necessary time and interest to become a good examiner. The other specialists are not interested or experienced in the details of an insurance examination.

"In the country districts, the better men are rapidly drifting towards the big cities, the rate having been accelerated during the past three years by the unusually serious financial condition of the farmers, which often does not permit them to pay for medical service. Therefore, to obtain a good interested examiner is becoming more and more difficult, and the necessity of retaining the interest and cooperation of the available competent examiners the more imperative.

Should Prevent Selection

"The system of appointing the best available man as 'chief,' and giving him

priority for all examinations in his territory when he is available is unquestionably the best method for physician, agent, and company. Physicians resent being put at the mercy of an unreasonable or dishonest agent, which is the case when such an agent can refer his applicants elsewhere when the examiner will not suppress impairments or hurry through a superficial examination. Where a company gives the agent the privilege of choosing one among several physicians, the tendency will inevitably be to use the examiner who finds or reports the fewest impairments. This selection against the company will be intentionally practiced, and the threats of withdrawal of patronage used only by the unscrupulous agent, whose occasional entrance cannot be prevented to even the most carefully selected agency force. The highest grade agent desires to use the examiners preferred by the company, because such a man realizes that he will, with such examination, obtain the most liberal selection consistent with justice to the company, and this is all he desires, but the wrong type of agent cares only about his commission, and nothing for the company's interest.

Conservation Work Grows

"The education of policyholders in the laws of health and hygiene, and help in putting such laws into practice, has spread rapidly during the past decade, largely under the inspiration and example of the Metropolitan Life and the Life Extension Institute. Here again the field of the medical director must broaden beyond the scope of medical selection. Many companies are using the Life Extension Institute service, or have put into force a health service to their own company, and unquestionably this practice will develop. The Metropolitan figures show conclusively that it pays in mortality savings alone, and it probably pays even larger returns to the company in establishing a most desirable relationship of intimacy and confidence and service with the individual policyholder, and so constitutes one of the best possible advertising and conservation contacts.

"An insurance company is more than simply a commercial corporation. It is a vital social institution. It contributes to the community and to the state far beyond the financial interests involved.

"It is peculiarly fitting that it should take an active part in the greatest of modern philanthropic movements, the prevention of unnecessary deaths, and the preservation of health and life. Furthermore, a life insurance company is so organized as to lend itself readily and effectively to this work. The medical director must be responsive to the appeal and opportunity for the latest and best side of medical science, the preventive field. Under his suggestion and leadership, each company may become an active proponent of public health in the community in which the home office is located, and throughout the field of its agency and examiner distribution. And to this appeal and opportunity the life insurance companies of America have responded and are responding with increasing emphasis and devotion. It is our great privilege to have what seems to me the most appealing challenge in modern industry: both a professional and industrial activity, combined in an institution which stands foremost of all modern enterprises and which also offers a varied field of social and altruistic endeavor."

Diamond Life Bulletin Service—Workable, definite, concrete plans and illustrations which have been actually and successfully used by the most efficient producers in the business. The sections on "Income Insurance," "Business Insurance," "Inheritance tax Insurance" and "Group Insurance" are especially effective. In addition to the salesmanship bulletin, complete up-to-date bulletins are issued on changes in dividends, rates, policy contracts, etc. The service is worth thousands of dollars to general agents and company managers who are searching for workable ideas, plans and methods for instructing agents. Prospectus will be sent to you on request. THE NATIONAL UNDERWRITER, 420 East Fourth St., Cincinnati, O.



A PRACTICAL BENEFIT TO ANY COMMUNITY

Medical Life's Sub-standard policy is far more than merely an agency money-maker. This policy performs a service—and confers a benefit—that the applicant would otherwise lose.

Write Medical Life about this policy; it means a greater profit and you render your community a very practical service.

Ask, too, about our method of cooperation, our Standard policies, our Child's Endowment policy and why Medical Life representatives progress so rapidly.

Medical Life representatives are completely equipped to conduct a profitable agency business on a very large scale.

"Life Insurance for Everyone."
The MEDICAL LIFE

INSURANCE COMPANY OF AMERICA
WATERLOO IOWA

I. G. LONDERGAN
Vice Pres. & Gen'l Mgr.

E. E. BROWN
Agency Supervisor

"SAFE AS A GOVERNMENT BOND"
The OHIO STATE LIFE
LIFE, HEALTH, ACCIDENT AND MONTHLY INCOME INSURANCE.
SEE → LATEST POLICIES AND AGENCY CONTRACT FOR FACTS
Openings Ohio, Ind., Ky., Mich., W. Va., Tex. and Okla. Write Columbus

SERVICE TO SALESMEN

Advertising plan which is available absolutely free. No charge for prospect leads.

BANKERS LIFE COMPANY

Des Moines, Iowa

GEO. KUHN, President

WINNIPEG'S

New — First Class — Downtown and Leading Hotel

The Marlborough

240 Rooms—220 Baths—Sample Rooms

Within three minutes of all Insurance Offices and Agencies

Financial, Wholesale, Shopping and Theater District.

R. H. Webb, Manager

SUGGESTS TIME PLAN

FIELD WORK AIDS ARE GIVEN

Metropolitan Life's Bulletin Tells of Certain Methods of Value in Agent's Program

A valuable discussion on methods of organizing salesmen's time is given in the second business leaflet issued by the Policyholders' Service Bureau of the Metropolitan Life. This is the second bulletin put out by the Metropolitan

Life on various phases of field and agency work and treats specifically with the use of the agents' working time. The bulletin strikes at the new note of service in salesmanship and tells of the relation between calls and sales.

Quoting from published figures, the Metropolitan bulletin gives the results of tests made as to the matter in which salesmen spend their time. It is shown that Henry S. Dennison found upon investigation that the time of salesmen was spent approximately as follows:

In traveling, 40 percent; in waiting to see prospects, 15 to 20 percent; miscellaneous clerical work, 25 percent; and in actual contact with the customer, 15 percent. Figures on a study of the work of a single salesman as made by Lowe

Brothers Company are also given, showing the following: That the agent's cost per call was \$18.70; that he called upon one agent once who bought not \$1 worth of merchandise from the company during the entire year; that a town in which no sales were made had been visited seven times at an expense of \$131; that one account was called on 52 times at a selling expense greatly in excess of the proceeds made on the account; that one agency was called on once, the sales from which amounted to \$18.20 and the cost of the call amounted to \$18.70; that another agency buying \$1,850 worth of merchandise was called on

once; and that another customer buying \$208 was not called on at all.

The bulletin proceeds to explain how the Dennison Manufacturing Company and the Fuller Brush Company have developed this phase of the field work. The Dennison Company has covered its 25 selling districts and analyzed the conditions. In two of the districts lists of prospective customers were made and arranged by classes of trades and geographical locations. The district manager's clerical force was increased so that the clerical work of the salesmen could be reduced to a minimum. The salesmen's work was carefully planned in advance of its execution. When the city salesman arrived at the office in the morning, the records of the prospective customers he should call on were ready for him in geographical order with a report slip of each of these customers, calling for a minimum amount of entries to give a complete story of the call. The samples of merchandise that will interest these particular customers were prepared and ready and also any information that was of value to the salesman. At noon the salesmen turned in samples, records and reports, having gone as far as time allowed on his schedule, and assumed a new list of prospects and samples for the afternoon's work. With this system, a glance at the information card, which covers the customer's needs, the results of previous calls and all other information of interest to the salesman, gives the salesman a summary of the entire case, without the waste of any time.

The Fuller Brush salesmen have adopted a different plan of attack. They present advance notice cards at a certain number of doors each day. These cards are sometimes put in the mail box, but more often handed personally to the housewife, and explain that the salesman will call at a definite future date. This plan enables the salesman to make numerous early morning appointments, that being the most difficult hour in the day's work. They work on a definite program beginning at 7:30 or 8 in the morning, taking a short lunch hour at noon and putting in a full four hour's work in the afternoon. They have developed a quick demonstration system and have reduced to a minimum the time which they demand of the buyer. When the salesman finds the prospect is out, in order not to entirely lose the value of his call, a card arranging for an appointment is often left at the house. The Fuller Brush Company states that it averages a sale for every two demonstrations. It is further pointed out that a man does not give the law of average a chance to help him unless he calls on a reasonable number of people during the day. The Fuller Company asks its salesmen to put in 40 hours a week in five days, eight hours a day, canvassing. The sixth day or Saturday is devoted to delivering orders, taking reorders and giving general service.

The Metropolitan sums up its suggestions for practices in successful business for the effective use of the salesmen's time as follows:

1. Relieving the salesman of all possible clerical work.
2. Giving the salesman adequate information of past requirements of customers.
3. Carefully routing the work of the salesmen.
4. Reducing the size of territories so that they can be covered economically.
5. Training the salesman to give quick demonstration and concise selling talk.
6. The use of the advance notice card wherever possible.
7. Endeavoring to have a customer set aside a definite time for the salesman.
8. Making the call effective when the customer is out or busy giving a demonstration, fixing a window display or securing credit information.
9. The use of the automobile for small town work.
10. Always stressing the idea of service.

¶ A good insurance man can do well in any location, but he can probably do BETTER in Wisconsin: Fewer companies in the field; a high average of intelligence, a standard of living that is away up; a state wide system of improved highways, and a permanently prosperous farming community.

Guardian Life
Insurance Company
Home Office, Madison, Wis.

"And on top of it all the opportunity with the biggest O is our agency contract."

Insurance Promoters

We can

- Buy the balance of your stock.
- Put you in business at once.
- Resell stock back to you at same price.

If your organization is strong and your stock partially sold; you will be interested in our plan.

Smith, Hardy & Company

208 S. La Salle St., Chicago, Ill.

Capable Policy-Placers

can always find a satisfactory opportunity for work with this Company in good territory—men who can collect the premiums as well as write the application. Why not make inquiry now?

Union Mutual Life Insurance Co.
PORTLAND, MAINE
Address:
ALBERT E. AWDE, Supt. of Agencies

MORE THAN 50%

of the business written by some of our larger agencies is a direct result of the Fidelity lead service. Our agents interview interested prospects—people who have written the Head Office for information.

Fidelity is a low-net-cost company operating in 40 states. Full level net premium reserve basis. Over Quarter of a Billion in force. Faithfully serving insurers since 1878.

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Walter LeMar Talbot, President
A few agency openings for the right men

HOME LIFE INSURANCE CO.

New York
ETHELBERT IDE LOW, President

The 64th Annual Report shows:

Premiums received during the year 1923	\$ 7,446,858
Payments to Policyholders and their Beneficiaries in Death Claims, Endowments, Dividends, etc.	5,871,544
Increase in Assets	2,491,597
Actual Mortality 56% of the amount expected	247,373,219
Insurance in Force	41,655,223
Admitted Assets	

FOR AGENCY APPLY TO
W. A. R. BRUEHL & SONS
General Managers
Central and Southern Ohio and Northern Kentucky
Rooms 601-606 The Fourth Nat. Bank Building
CINCINNATI, OHIO
HOYT W. GALE
General Manager for Northern Ohio
229-233 Leader-News Building
CLEVELAND, OHIO

Seven Years of Steady Progress

ASSETS

1916	\$125,222.00
1917	129,523.00
1918	155,613.00
1919	203,600.00
1920	303,164.00
1921	404,224.00
1922	984,558.00

The International Life and Trust now wants a representative in your district. It is an old line legal reserve company with a record to be proud of. To represent this dependable company is to represent a pillar of safety in the life insurance business. You are assured of a maximum degree of intelligent co-operation. Write us at once for an agency. We have the means of assuring you of a successful career in the life insurance business.

INSURANCE IN FORCE

1916 .. \$	203,000.00
1917 ..	704,500.00
1918 ..	1,382,500.00
1919 ..	2,973,000.00
1920 ..	4,513,000.00
1921 ..	5,019,000.00
1922 ..	9,148,126.00

INTERNATIONAL LIFE & TRUST COMPANY

MOLINE, ILLINOIS

J. O. LAUGMAN, President

DR. ANDREW JOHNSON, Secretary and Medical Director

MODERN BUSINESS GETTING METHODS

Plan Used With Success in the Sale of Business Insurance Is Outlined by Big Producer at Penn Mutual's Convention

By WILLIAM J. AMOS

BUSINESS insurance, like any other insurance, may be likened to the farmer's seasons. There is seed time and there is harvest. There is the careful preparation of the soil; there is the planting and cultivating; and finally the season of rejoicing when the harvest is in.

We shall therefore start out preparing our soil. In the case of business insurance the securing of prospects will claim our attention first. I am sure every salesman will agree that the securing of active, worthwhile prospects is our toughest problem in any life insurance effort. Of course we are told everybody is a prospect. Both sides of the street are lined with them. Well, you and I know this is just plain "bunk." Prospects are hard to find. We salesmen all know that three-fourths of our time is occupied in searching for prospects.

Gets Mailing List from Business Directory

For a good many years I have had my own ideas about getting prospects, especially for business insurance. As most of you know, I am a firm believer in personal advertising. That is, I constantly use circular letters. The postman, therefore, does most of my footwork. If I can get him to carry my story and bring replies, I can use my legs and head for salesmanship purposes alone, and I therefore have saved time and energy.

My plan, then, is as follows: First of all, I purchase a business directory of the town or city in which I wish to operate. Then I get a large loose-leafed blank book. I take this directory of the particular town or city I am going to work in and set down in this book the name of each firm irrespective of whether it be a partnership or corporation. Under the name of each firm, if a

partnership I write the names of partners; if a corporation, the names of the chief officials. Then I number each firm from No. 1 up, this for the purpose of identification later. I usually make up a list of 1,000 at a time. My next step is to arrange the matter which I propose to send to these firms. Personally, I use three letters. I could, of course, use one, and quite often the very first letter brings a reply. Sometimes it takes the second letter to wake 'em up; sometimes the third letter is

sent. In fact it generally requires the third letter and a personal call to find out definitely how matters stand.

My first letter is as follows:

Gentlemen:

The risk of total loss resulting from the death of one of your business associates is 900 times greater than the probabilities of the destruction of your plant by fire.

What would happen if one of your business associates should die? Have you given it a thought?

Do you worry when a plate glass window is broken? when a workman is hurt? when a trusted employe embezzles your funds? You don't have to—you cover all these with insurance. If your plant burns, you simply rebuild with the insurance money.

But if your partner dies what recompense have you? Everything is insured

Every agent who has ever written any business life insurance, or ever expects to write any, will find much of interest in this address delivered by William J. Amos of the home office agency of the Penn Mutual Life at the company's agency convention last week at White Sulphur Springs. He outlines the selling process throughout, which he has personally used with great success.

but the very thing you can't rebuild—the brain power of your plant.

We have a proposition to make you in the above connection.

Sign the enclosed card and we will send you our booklet covering the subject of business insurance.

Yours very truly,

THE PENN MUTUAL LIFE INSURANCE COMPANY.

This letter, you will note, is sent in the name of the Penn Mutual Life Insurance Company. I don't appear in it, because I am not egotistical enough to feel that

my signature is of greater moment to the business men of Philadelphia than that of the Penn Mutual Life.

With this letter is sent a postal card. On the front of it, The Penn Mutual Life Insurance Company, 6th and Walnut Streets, Philadelphia, "Dept. of Business Insurance." On the back of the card: "What is your suggestion?" "Signature Unnecessary," and my key number agreeing with the blank book. "Signature Unnecessary" appeals to a good many people because they don't have to sign something. The number, of course, when we get the card, is checked with our number in address book, and name of firm is thus located.

Now we will follow this card. The first step of course is to acknowledge the card as per following letter:

Gentlemen:

We are in receipt of your inquiry of June 6th in reply to our letter on the subject of business insurance. We are sending you a pamphlet which gives, in a general way, the reasons why any business house should carry business insurance.

Before we can submit a definite proposition to you, in other words one fitted exactly to your requirements, it will be necessary for us to know whether you are a corporation or partnership, and also the approximate ages of your active members.

The writer will call for this information within a day or so and will be prepared to answer any questions which the enclosed pamphlet may have developed.

Thanking you very much for your card, we are,

Yours very truly,

THE PENN MUTUAL LIFE INSURANCE COMPANY.

We next proceed to look up the financial rating of the firm, and, if possible to secure any information that

BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Home Office: Lincoln, Nebraska

Assets - - \$23,500,000.00

Tamora, Nebr., April 9, 1924.

Bankers Life Insurance Company,
Lincoln, Nebr.

Gentlemen: I am pleased to acknowledge receipt of your draft for \$2,074.25 which represents the surplus on my \$5,000.00 policy No. 15386 which has just matured. When I was 38 years old I applied for the insurance and have paid an annual premium of \$184.50 or a total of \$3,690.00 during the 20 years. I now have your draft for the surplus and a \$5,000.00 paid up policy on which I am to draw annual dividends as long as I live. In other words I have a \$5,000.00 estate which has cost me \$1,615.75 and 20 years protection.

The payment of the premiums was never a hardship and now that the policy has matured I can enjoy the surplus and know that my estate will have an additional \$5,000.00 in cash at my death. I could have taken \$4,860.60 in cash or a paid up policy of \$8,720.00.

It has been a pleasure to say a good word for your Company and it is my wish that your agents may be successful in persuading many more people to take policies.

Yours truly,

FRANK ANSTINE.

**TWENTY PAYMENT LIFE POLICY
DEFERRED DIVIDEND
TWENTY YEAR SETTLEMENT
Matured in the
OLD LINE BANKERS LIFE INSURANCE
COMPANY
of Lincoln, Nebraska**

Name of Insured.....Frank Anstine
Residence.....Tamora, Nebr.
Amount of Policy.....\$5,000.00
Total Premiums Paid.....3,690.00

SETTLEMENT

Total cash paid to Mr. Anstine \$2,074.25 and
a paid up participating policy for
\$5,000.00

If interested consult one of our agents or write
Old Line Bankers Life Insurance Co. of Nebraska, 14th and N Streets, Lincoln, Nebr.

may be of assistance, because I think the more we know about a man or company the stronger we are when we arrive for our interview.

First Call Is Made On Head of Concern

Our next step is an important one, because upon its results depends as a rule our success or failure in the case. I usually allow a lapse of at least three days between receipt of card, my reply, and my call.

My first call is usually upon the president, if a corporation, or either partner, preferably the senior. I send in my regular business card. No camouflage. I represent the Penn Mutual Life Insurance Company. I am not ashamed of it. I usually write at the top of card, "Mr. So and So, I would like to get some information." This as a rule gets me in. After the usual preliminary, I say, "Mr. A, here is a card we received from your firm the other day. You have asked us for a proposition. Inasmuch as all these propositions are made in writing, I have come to secure some data. Of course you know by this time that this proposition has to do with insurance, not perhaps as you generally understand it, but a plan that has to do with the very life of your great business. We want to submit a plan. It isn't going to cost you a cent to read some good suggestions. Now if you don't mind, will you tell me how many active members in your firm? I would like their names and dates of birth too, please."

Get Data and Arrange for Another Interview

In the meantime he has asked what all this is about, and a half dozen other questions. He may have been surly or gentlemanly. He may have been interested or not. These are details. If he seems interested in having you submit a plan, it is well to ask as a parting shot, "Mr. A, suppose you men bought business insurance, what would be a proper amount to figure on." Or the conversation may take another drift and you will be able to find out the proportion of stockholdings, etc. In brief, get all you can gracefully. Then I would close the interview by saying: "Mr. A, I thank you for this information. It will require several days to prepare this plan, and when it's done I want to go over it with

you so you can explain it to your associates. What day next week will be convenient? We have so much of this type of insurance before us all the time that it's a job to keep our engagements from conflicting." So you make a date. Now you have the names of some successful men, and their ages, and a lot of inside information perhaps, which, of course, is carefully filed in your change of age file.

Make Up Proposition for Firm Approached

My next step is to make up a proposition for this firm. This proposition is made up on the brightest yellow paper I can buy, and bound in our "Quaker Grey." I use this yellow paper for two reasons. First, it harmonizes with black type and grey cover. It is beautiful in combination. Ninety percent of all sales are made through the eye. That's why we like to get men to figuring. Men, whether drunk or sober, see things. This is why the farmer grows red apples. People buy apples through the eye, and strange enough, this is especially true in selling insurance.

My second reason is because the yellow paper cannot be lost on a busy man's desk. One of the largest cases I ever wrote was secured because the bright yellow illustration failed to stay hidden under a multitude of papers. My client, upon occasion of my second call, commenced to fumble with some papers on his littered desk, saying all the time, "I guess I have thrown it in the waste basket," meaning, of course, the proposition. I glanced over his desk, and with a laugh said, "Oh, no, Mr. V. you wouldn't do that because it's too pretty, and besides there it is waiting for you." Sure enough, there was the bright yellow pages shining like a lighthouse, and it let me into a \$3,000 premium, which isn't a bad harbor. So I say, make up the proposition and get him to say, "You surely went to a lot of trouble, and it surely is clear."

Be Sure That Prospect Follows Every Statement

Sit down beside your client with your proposition, pencil in hand, and get him to follow every statement. Don't talk too fast. Stop at the end of every statement and ask him if he follows you. Get him to saying, "Yes," "Yes," "Yes." All affirmative statements. After you have gone over the proposition, take the paper and throw it carelessly to one side and say, "Mr. A, I think you agree with everything I have said in that paper. Don't you?" "Yes." "I can't make another move until you and your partners do something for me. You have seen my picture. You have agreed that it's a good thing. You have not told me definitely that you want it, because I have not asked you. On the other hand, The Penn Mutual Life Insurance Company is not yet ready to issue these contracts even though you asked it to do so. You don't know that you want it, and we don't know that we want you. Now I'll tell you what we will do and it won't cost you a cent. Suppose we arrange matters so that you and your partners control the situation. I'll have our doctor look you over and you will, if you pass, be in a position to control the situation. If you want it, then you can have it. If you don't, forget it. If you don't pass you will know what's wrong and you can then take proper precautions. After the examinations are over and the policies issued, we have the goods. You know what to do after that as well as I do."

In passing, I want to say this. Never sell business insurance unless you also sell the idea of an agreement to control the distribution of same in event of death. These forms are all prepared by the company, and their discussion at the time of your interview will be most helpful.

Now we have followed our reply card to its logical sales conclusion. You cannot write them all. I may say in passing that my replies will average about 5

percent of the first letters sent out if the list is well selected by myself. Out of these replies, sooner or later I will

We now come to our second letter. This letter is sent out about a week after the first, and of course only to those who did not reply to No. 1. Here it is:

Gentlemen: Recently we wrote you a letter calling your attention to the subject of business insurance. As yet we have had no reply.

In order that you may better realize what business insurance can do for your firm, suppose one of your partners dies at a critical time in your firm's affairs; wouldn't hard cash in lieu of his co-operation, advice and credit influence be a help?

Suppose he was the owner of the controlling interest and his executors, ignorant of your business, should prove stubborn; wouldn't some good hard cash control the situation?

Suppose it's put up to you as the survivor of the business to buy or sell. If you sell, you part with your business necessarily at a loss, because your business is not worth as much with a dead partner. If you buy, where is the money coming from except out of your business, already weakened? Wouldn't cash from an outside source be most acceptable?

Suppose you die, and because of your death your partner cannot buy out your interests, and your family knows nothing about the business. Wouldn't ready cash let them out whole and thus protect the estate?

Suppose there is a financial slump at the time of your partner's death, and your firm has gone its limit at your bank, and it means cash or failure. Wouldn't the guaranteed cash values of your business insurance policies help some?

Think these suppositions over for a few days and let us have an opportunity to submit a proposition covering the interest of your firm.

Yours very truly,
THE PENN MUTUAL LIFE
INSURANCE COMPANY.

This brings back a few replies. Personally, I think if a man will read this letter it will club him into action.

Send Third Letter if There Is Still No Reply

If there is still no reply, I send out my third and last letter and it reads like the following:

Gentlemen: On the 21st instant we outlined to you some conditions which, in the ordinary course of affairs, might, in the absence of business insurance, happen to your firm.

Inasmuch as we have not heard from you, we take for granted that you are extremely busy at this season of the year, and we have accordingly asked our Mr. Amos to call upon you and answer personally any question which our letters may have developed.

Yours very truly,
THE PENN MUTUAL LIFE
INSURANCE COMPANY.

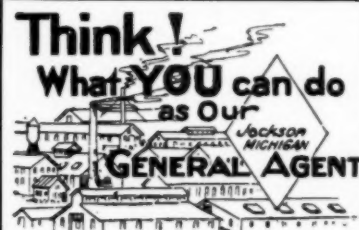
If there is no reply I go myself, and

these personal trips after these letters certainly do pay. The ice is broken. The firm is already acquainted to some extent with what we are trying to do. You don't beat about the bushes with these fellows. You either write them on the spot or know why.

The above is my plan for developing and culminating prospects for business insurance. It may be old fashioned, it may be slow. I never have written a big business by this method, perhaps that's my fault, but I have written a steady business, and one where lapse is almost unknown.

Get Some Sort of Plan, Then Work It

My suggestion is, get some sort of plan and then work it. The haphazard go-as-you-please system is out of date. There is no system, however, that will bring you a consistent line of good business without hard work. "They won't come in" except occasionally, and then they are either physically unfit or some poor fellow has worked his head to start them.



—for in this city, the factory output alone is over \$100,000,000 per year. Your opportunity is unlimited, but you must be a big man to swing it. You must be a big personal producer, and a good organizer of men. You must have a high social position, and at least \$25,000 in assets. You must be able to earn at least \$12,000 per year.

That is the man required—worthy of our 100% co-operation in finding and closing business and the support of a company with a low percentage of rejections, high ratio of assets to liabilities, and policies having new selling features and settlement provisions, not yet issued by any other company.

Picture the business you can build for yourself, with such strong assistance and in such a prosperous city. Your contract (direct with the home office) will call for a liberal first year commission, a renewal commission, a collection fee, an office allowance and a business-development allowance.

Show us what you can do! Address J-62, care The National Underwriter.

NOTE: We also have an unusually attractive, special contract for good salesmen whose experience is limited.



Only high-type men and women can obtain contract to represent this company.

Open territory in Ohio and Minnesota. Interesting General Agent's contract direct with Company backed by real co-operation.

CLIFTON MALONEY President
JACKSON MALONEY Vice-President
A. MOSELEY HOPKINS, Manager of Agencies

Home Office Building
111 N. BROAD ST., PHILADELPHIA, PA.

WANTED

At the home office of a small Eastern company, a young man, graduate of a university course of life insurance, who has had field experience and who can, through print, convey to others his knowledge and the results of his own experience. Address J-55, care The National Underwriter.

ARE YOU

possessed of an ambition to do bigger and better things? Have you a clean record and the ability to secure and build up a high-class Life insurance organization?

Are you a man big enough and capable enough to develop the live territory in Illinois? This is a very attractive proposition on a very satisfactory salary and commission basis.

If you think you can fill the bill, we will be glad to get in touch with you and arrange for a conference. Address Agency Dept. J-67, care The National Underwriter.

"The Capitol Life Insurance Company desires to obtain the services of good, reliable agents in all unoccupied territory. Please address the company for further information."

The Capitol Life Insurance Co. of Colorado

Clarence J. Daly, President
Denver, Colorado

Declaration of Independence

A FACSIMILE copy of the Declaration of Independence has been issued by the John Hancock Mutual Life Insurance Company.

This reproduction is a composite reduced facsimile, one-quarter size, taken from a facsimile reproduction of the original Declaration of Independence made by W. I. Stone, in 1823, under the direction of John Quincy Adams, then Secretary of State. The original engrossed Declaration is in the custody of the Librarian of Congress at Washington. The John Hancock Company will be glad to send a copy of the Declaration to any person sufficiently interested to ask for it.



Over Sixty Years in Business. Now Insuring Over One Billion \$50 Million Dollars in Policies on 3,300,000 Lives.



THE Chicago National Life Insurance Company has special inducements for live agents in Illinois and Indiana, advantageous contracts, standard policy forms, home office co-operation and the influence of 1200 stockholders in both States.

Five thousand leads received last month from our stockholders.

Chicago National Underwriters Co.

INCORPORATED

GENERAL AGENTS

202 So. State St.

Chicago, Ill.

A Policy You Can Sell

A \$5,000 Policy In *THE UNITED LIFE* and *ACCIDENT INSURANCE COMPANY*

PAYS

\$5,000, the face of the policy in case of death from any cause.

\$10,000, or DOUBLE the face of the policy, in case of death from any ACCIDENT.

\$15,000, or THREE TIMES the face of the policy in case of death

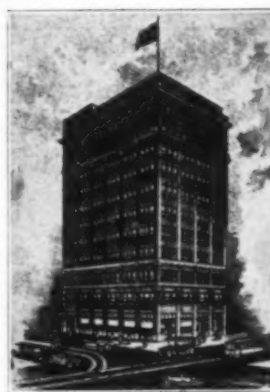
from certain SPECIFIED ACCIDENTS.

\$50 PER WEEK, direct to the insured, in case of total disability as a result of accidental injury, for a period not to exceed 52 weeks; and after that \$25 PER WEEK throughout the period of disability.

A Sound, Conservative
New England Institution

United Life and Accident Insurance Company

Home Office, United Life Bldg.
Concord, N. H.



Southland Life

Insurance Co.

HARRY L. SEAY, President

Insurance In Force
\$75,000,000

Admitted Assets
\$8,330,000

The latest in approved policy forms.

Disability Annuity Benefits with first payment IMMEDIATE.

Waiver of Premiums without extra charge.

Double Accidental Death Benefits.

Sub-standard risks are handled as expeditiously as those on standard lives thus insuring to the agent a maximum of service.

Advantageous agency contracts open to men of ability and integrity. Previous insurance experience not essential.

CLARENCE E. LINZ

Vice-President and Treasurer, in Charge of Agents

PHILIP N. THEVENET
Vice-President and Secretary

PAUL V. MONTGOMERY
Vice-President and Actuary

DALLAS, TEXAS

Knights of The Needy!

IN THESE AFFLUENT TIMES when so much is being said and printed about million-dollar policies taken for the purpose of paying estate and inheritance taxes on great fortunes, it is well for us to lower our eyes once in a while and observe the blessings brought to those in humble walks of life by those lowly full-time and part-time life insurance advocates who toil day in and day out among those prospects to whom the premium on even \$1,000 of life insurance means some personal sacrifice.

Do you think that the story of Mr. Million Bucks, who recently passed away, and who by carrying several millions of life insurance saved his estate from being "gypped" by Uncle Sam to the tune of two millions of dollars, impresses the advantages and the solemnity of life insurance upon the heart and mind of Mr. Average Citizen as profoundly and reverently as does this letter from a little girl whose father left her only \$1,000 of life insurance?

Morris & Plunkett, District Managers
Illinois Life Insurance Co.
Viola, Illinois

Kewanee, Illinois,
February 22, 1924

Gentlemen:

I received your letter telling me that you paid my guardian \$1,000 on the life insurance policy carried by my father who died a short time ago. I am more grateful than I can tell you, as this money will not only be a great help to me but to my mother, as without it, I would be dependent upon her entirely. She works every day and we live with my grandmother who is not at all well.

For many months just past I have been crippled. I broke my ankle and tuberculosis set in the bone, so for a long time I had my foot in the cast and had to use crutches. The last six months I have been wearing a brace and going to school. Now the doctor says my foot is cured but I will have to be careful always, so I want a good education and the money will help my mother to send me through school.

Yours very truly,

P. S. Many thanks to you.

(Signed) Miss Irene Bell Wallace.

KNIGHTS OF THE NEEDY! Indeed they are, those splendid men who strive in season and out of season to insure those humble fathers and mothers, the payment to whose children of one thousand dollars of life insurance money means more to the heart and security of America than all the million-dollar life insurance payments that have or ever shall be made to the beneficiaries of millionaires.

The Illinois Life operates in only seven states, Illinois, Indiana, Kansas, Michigan, Missouri, Oklahoma and Georgia.

We are not seeking representatives from the organizations of other companies, and we do not accept any brokerage business, therefore, this advertisement is published solely for the encouragement of those men who may sometimes feel that because they do not write large policies they are not of much value in the life insurance world.

Illinois Life Insurance Company **CHICAGO**

JAMES W. STEVENS, Founder

GREATEST ILLINOIS COMPANY

Illinois Life Building, 1212 Lake Shore Drive

The Illinois Life is the Dean of the Illinois Legal Reserve Life Insurance Companies